



General Assembly

Substitute Bill No. 355

February Session, 2022



**AN ACT ESTABLISHING THE 340B DRUG PRICING
NONDISCRIMINATION ACT.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2022*) (a) For the purposes of this
2 section and section 2 of this act:

3 (1) "Covered drug" means a drug purchased by a 340B covered entity
4 that is subject to the federal pricing requirements set forth in 42 USC
5 256b, as amended from time to time.

6 (2) "340B covered entity" means a provider participating in the federal
7 340B drug pricing program authorized by 42 USC 256b, as amended
8 from time to time.

9 (3) "Drug manufacturer" means the following:

10 (A) An entity described in 42 USC 1396r-8(k)(5) that is subject to the
11 pricing limitations set forth in 42 USC 256b; and

12 (B) A wholesaler described in 42 USC 1396r-8(k)(11) engaged in the
13 distribution of covered drugs for an entity described in 42 USC 1396r-
14 8(k)(5) that is subject to the pricing limitations set forth in 42 USC 256b.

15 (4) "Payer" means a pharmacy benefits manager.

16 (5) "Pharmacy benefits manager" has the same meaning as provided
17 in section 38a-479aaa of the general statutes and includes a wholly or

18 partially owned or controlled subsidiary of a pharmacy benefits
19 manager.

20 (6) "Specified pharmacy" means a pharmacy owned by, or under
21 contract with, a 340B covered entity that is registered with the 340B
22 discount drug purchasing program set forth in 42 USC 256b to dispense
23 covered drugs on behalf of the 340B covered entity, whether in person
24 or by mail.

25 (b) A payer shall not impose any requirements, conditions or
26 exclusions that:

27 (1) Discriminate against a 340B covered entity or a specified
28 pharmacy in connection with dispensing covered drugs; or

29 (2) Prevent a 340B covered entity from retaining the benefit of
30 discounted pricing for the purchase of covered drugs.

31 (c) Discrimination prohibited pursuant to subsection (b) of this
32 section includes:

33 (1) Payment terms, reimbursement methodologies, or other terms
34 and conditions that distinguish between covered drugs and other drugs,
35 account for the availability of discounts under the 340B discount drug
36 purchasing program set forth in 42 USC 256b in determining
37 reimbursement or are less favorable than the payment terms or
38 reimbursement methodologies for similarly situated entities that are not
39 furnishing or dispensing covered drugs;

40 (2) Terms or conditions applied to 340B covered entities or specified
41 pharmacies based on the furnishing or dispensing of covered drugs or
42 their status as a 340B covered entity or specified pharmacy, including
43 restrictions or requirements for participating in standard or preferred
44 pharmacy networks or requirements related to the frequency or scope
45 of audits;

46 (3) Requiring a 340B covered entity or specified pharmacy to identify,

47 either directly or through a third-party, covered drugs or covered drug
48 costs;

49 (4) Refusing to contract with or terminating a contract with a 340B
50 covered entity or specified pharmacy, or otherwise excluding a 340B
51 covered entity or specified pharmacy from a standard or preferred
52 network, on the basis that such entity or pharmacy is a 340B covered
53 entity or a specified pharmacy or for reasons other than those that apply
54 equally to entities or pharmacies that are not 340B covered entities or
55 specified pharmacies;

56 (5) Retaliation against a 340B covered entity or specified pharmacy
57 based on its exercise of any right or remedy under this section; or

58 (6) Interfering with an individual's choice to receive a covered drug
59 from a 340B covered entity or specified pharmacy, whether in person or
60 via direct delivery, mail or other form of shipment.

61 (d) The provisions of this section do not apply to the federal Medicare
62 program and HUSKY Health program, but do apply to entities that
63 contract with the HUSKY Health program or the federal Medicare
64 program if such entities are a payer and have discretion to negotiate or
65 establish rates of payment for drugs.

66 Sec. 2. (NEW) (*Effective October 1, 2022*) (a) A drug manufacturer shall
67 comply with federal pricing requirements set forth in 42 USC 256b when
68 selling covered drugs to 340B covered entities located in this state and
69 shall not impose any preconditions, limitations, delays or other barriers
70 to the purchase of covered drugs that are not required under 42 USC
71 256b.

72 (b) Preconditions, limitations, delays or other barriers prohibited by
73 subsection (a) of this section include:

74 (1) Implementation of policies or limitations that restrict the ability of
75 340B covered entities or specified pharmacies to dispense covered
76 drugs, including restrictions on the number or type of locations through

