

OFFICE OF FISCAL ANALYSIS

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SB-355

AN ACT ESTABLISHING THE 340B DRUG PRICING
NONDISCRIMINATION ACT.

AMENDMENT

LCO No.: 6509

File Copy No.: 354

Senate Calendar No.: 252

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Attorney General	GF - Revenue Gain	Potential	Potential
UConn Health Ctr.	Various - Savings	Significant	Significant

Note: Various=Various; GF=General Fund

Municipal Impact: None

Explanation

The amendment results in an annual significant savings to the University of Connecticut Health Center beginning in FY 23. The health center has multiple 340B covered entities, including John Dempsey Hospital, and has not been fully benefiting from the provisions of the 340B program due to manufacturer and pharmacy benefits manager (PBM) practices. The health center estimates that the foregone savings due to these practices has reached approximately \$7 million to \$9 million annually. It is anticipated that the bill will reduce or eliminate the practices it prohibits, and consequently result in greater 340B savings to UConn Health Center.

The amendment also specifies that the Office of the Attorney General (OAG) has exclusive authority to enforce violations these provisions.

Primary Analyst: MR
Contributing Analyst(s):
Reviewer: JS

5/4/22
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This may result in a revenue gain to the state, to the extent OAG levies fines and penalties under the unfair trade practice provision.

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