

# MAINE STATE LEGISLATURE

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Date 6/12/23

(Filing No S-269)

**HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES**

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**STATE OF MAINE**

**SENATE**

**131ST LEGISLATURE**

**FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT "A" to S P 562, L D 1395, "An Act to Increase Transparency Regarding Certain Drug Pricing Programs"

Amend the bill by striking out everything after the enacting clause and inserting the following

'Sec. 1. 22 MRSA §1728 is enacted to read

**§1728. Prescription drug transparency report**

**1. Hospital defined.** For purposes of this section, "hospital" means

A An acute care institution licensed and operating in this State as a hospital under section 1811 or the parent of such an institution, or

B A hospital subsidiary or hospital affiliate in the State that provides medical services or medically related diagnostic and laboratory services or engages in ancillary activities supporting those services

**2. Report on participation in federal 340B drug program.** Beginning January 1, 2024, each hospital participating in the federal drug pricing program under Section 340B of the federal Public Health Service Act, 42 United States Code, Section 256b, referred to in this section as "the 340B program," shall provide an annual report to the Maine Health Data Organization. The Maine Health Data Organization shall post the report on its publicly accessible website. Each hospital shall report in a standardized format as agreed upon by the Maine Health Data Organization and the hospital, and include, at a minimum, the following information in the report consistent with the annual reporting of hospitals voluntarily participating in the good stewardship program of the American Hospital Association or its successor organization

A A description of how the hospital uses savings from participation in the 340B program to benefit its community through programs and services funded in whole or in part by savings from the 340B program, including services that support community access to care that the hospital could not continue without savings from the 340B program.

1 B The annual estimated savings from the 340B program to the hospital, comparing the  
2 acquisition price of drugs under the 340B program to group purchasing organization  
3 pricing. If group purchasing organization pricing is not available for a drug under the  
4 340B program, the acquisition price for that drug must be compared to a price from  
5 another acceptable pricing source.

6 C A comparison of the hospital's estimated savings under the 340B program to the  
7 hospital's total drug expenditures, including examples of the hospital's top drugs  
8 purchased through the 340B program, and

9 D A description of the hospital's internal review and oversight of the 340B program,  
10 which must meet the federal Department of Health and Human Services, Health  
11 Resources and Services Administration's program rules and guidance for compliance.

12 3. Reporting. The Maine Health Data Organization shall produce and post on its  
13 publicly accessible website a report that includes a summary of the aggregate information  
14 received from hospitals required to report under subsection 2. The Maine Health Data  
15 Organization shall submit the report required by this subsection to the Office of Affordable  
16 Health Care, as established in Title 5, section 3122, the Maine Prescription Drug  
17 Affordability Board, as established in Title 5, section 12004-G, subsection 14-I, and the  
18 joint standing committee of the Legislature having jurisdiction over health data reporting  
19 and prescription drug matters.'

20 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section  
21 number to read consecutively

22 **SUMMARY**

23 This amendment replaces the bill. The amendment requires each hospital to provide an  
24 annual report to the Maine Health Data Organization with data related to its participation  
25 in the federal 340B drug pricing program consistent with the annual reporting of hospitals  
26 voluntarily participating in the good stewardship program of the American Hospital  
27 Association. The Maine Health Data Organization must post the annual reports on its  
28 publicly accessible website.

29 **FISCAL NOTE REQUIRED**

30 (See attached)



# 131st MAINE LEGISLATURE

LD 1395

LR 1620(02)

**An Act to Increase Transparency Regarding Certain Drug Pricing Programs**

**Fiscal Note for Bill as Amended by Committee Amendment "#(S 269)**  
**Committee: Health Coverage, Insurance and Financial Services**

**Fiscal Note Required: Yes**

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## Fiscal Note

Minor cost increase - General Fund

### Fiscal Detail and Notes

Additional costs to the Maine Health Data Organization associated with summarizing and posting reports from hospitals that participate in certain prescription drug pricing programs are expected to be minor and can be absorbed within existing budgeted resources