MAINE STATE LEGISLATURE

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131st MAINE LEGISLATURE

FIRST REGULAR SESSION-2023

Legislative Document

No. 1395

S.P. 562

In Senate, March 28, 2023

An Act to Increase Transparency Regarding Certain Drug Pricing Programs

Reference to the Committee on Health Coverage, Insurance and Financial Services suggested and ordered printed.

DAREK M. GRANT Secretary of the Senate

Presented by Senator TIPPING of Penobscot. Cosponsored by Senator: BAILEY of York, Representatives: MATHIESON of Kittery, MORRIS of Turner, SKOLD of Portland.

1	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 22 MRSA §1728 is enacted to read:
3	§1728. Prescription drug transparency report
4 5 6 7 8 9 10	Beginning January 1, 2024, each hospital participating in the federal drug program under section 340b of the federal Public Health Service Act, 42 United States Code, Section 256b shall provide an annual report to the Maine Health Data Organization. The Maine Health Data Organization shall post the report on a publicly accessible website. For the purposes of this section, "hospital" has the same meaning as in section 1843, subsection 4. Each hospital shall report in a standardized format specified by the Maine Health Data Organization and include the following in the report:
11 12	1. Hospital data. Hospital data separated by the hospital and each off-site clinic facility associated with the hospital including, but not limited to:
13 14	A. Total annual revenue from drugs purchased under the 340b program less the aggregate annual acquisition costs for these drugs;
15 16	B. Dispensing fees paid to contract pharmacies that the hospital contracts with to provide services associated with participation in the 340b program;
17 18	C. Patient mix by payment source including, but not limited to, Medicare, the MaineCare program, private insurance and uninsured;
19	D. Costs incurred for charity care; and
20 21 22	E. Percentage of total revenue less discounts from infusion or injection of physician-administered drugs purchased through the 340b program, including any associated items or services provided as part of administering these drugs;
23 24	2. Drug data. Drug data for each hospital and the off-site clinic facility associated with the hospital from each dispensing site including:
25	A. Name of the drug;
26	B. National drug code;
27	C. Acquisition cost;
28 29 30	D. Type of account through which the drug was purchased and the associated 340b identification number, such as wholesaler, direct from the manufacturer or consignment;
31	E. Quantity;
32 33	F. Payer source including, but not limited to, Medicare and the MaineCare program, and primary, secondary or tertiary source;
34	G. Date of prescription;
35	H. Location where the 340b drug was administered or dispensed:

J. Compensation received from the sale of the 340b drug, including ingredient cost, dispensing fee and other compensation; and

I. Date the drug was administered or dispensed; and

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- 3. Contracting and vendor data. Contracting and vendor data separated by the hospital and each off-site clinic facility associated with the hospital including, but not limited to:
 - A. The names of all 3rd-party vendors, including split billing vendors and contract pharmacies that the hospital contracts with to provide services associated with participation in the 340b program;
 - B. List the self-negotiated contracts for individual entities and integrated delivery networks, including pharmacy benefits manager costs, insurance carriers and employer self-funded plans;
 - C. Split billing vendor information, if used by the hospital, and total amounts paid for split billing services; and
 - D. Grantee contract information and compensation paid.
 - 4. Reporting. The Maine Health Data Organization shall produce and post on its publicly accessible website a report that includes a summary of the aggregate information received from hospitals and off-site clinic facilities associated with the hospital required to report under subsections 1 and 2. The Maine Health Data Organization shall submit the report required by this subsection to the Office of Affordable Health Care, the Maine Prescription Drug Affordability Board and the joint standing committee of the Legislature having jurisdiction over health data reporting and prescription drug matters.

20 SUMMARY

This bill requires each hospital to provide an annual report to the Maine Health Data Organization with hospital data, drug data and contracting and vendor data related to its participation in the federal 340b drug pricing program. The Maine Health Data Organization must post the report on a publicly accessible website.