

SENATE BILL No. 540

By Committee on Assessment and Taxation

3-8

1 AN ACT concerning the federal 340B drug pricing program; imposing
2 restrictions concerning the federal 340B drug pricing program; enacting
3 the defense of affordable prescriptions act to prohibit manufacturer
4 interference relating to a 340B drug.

5
6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. (a) This section shall be known and may be cited as the
8 defense of affordable prescriptions act.

9 (b) As used in this section:

10 (1) "340B-covered entity" means an entity that is participating in the
11 federal 340B drug pricing program authorized by 42 U.S.C. § 256b,
12 including such entity's pharmacy or pharmacies, or any pharmacy or
13 pharmacies contracted for the purpose of dispensing drugs purchased
14 through such program;

15 (2) "340B drug" means a drug that has been subject to any offer for
16 reduced prices by a manufacturer pursuant to the federal 340B drug
17 pricing program authorized by 42 U.S.C. § 256b and is purchased by a
18 covered entity;

19 (3) "manufacturer" means the same as defined in K.S.A. 65-1626, and
20 amendments thereto; and

21 (4) "pharmacy" means the same as defined in K.S.A. 65-1626, and
22 amendments thereto.

23 (c) A manufacturer shall not:

24 (1) Deny, restrict, prohibit or otherwise interfere with the acquisition
25 of a 340B drug by or delivery of a 340B drug to a pharmacy that is under
26 contract with a 340B-covered entity and authorized under such contract to
27 receive and dispense 340B drugs on behalf of the 340B-covered entity,
28 unless such receipt and dispensing of 340B drugs by such pharmacy is
29 prohibited by the United States department of health and human services;
30 or

31 (2) interfere with a pharmacy that has a contract with a 340B-covered
32 entity.

33 (d) Any violation of this act shall be a violation of the Kansas
34 consumer protection act and shall be subject to any and all of the
35 enforcement provisions of the Kansas consumer protection act.

36 (e) Nothing in this act shall be construed to:

1 (1) Be less restrictive than federal law for a person or entity regulated
2 by this act;

3 (2) conflict with applicable federal law or regulation; or

4 (3) conflict with limited distribution of a drug required under 21
5 U.S.C. § 355-1.

6 Sec. 2. This act shall take effect and be in force from and after its
7 publication in the statute book.