







Coalition to Protect Health Care for Rural and Underserved Communities

LD 1018

An Act to Protect Health Care for Rural and Underserved Areas by Prohibiting Discrimination by Participants in a Federal Drug Discount Program

This legislation prohibits drug manufacturers from restricting or otherwise interfering with the acquisition of a 340B drug by, or delivery of a 340B drug to, a 340B contract pharmacy on behalf of a 340B entity. It also requires that manufacturers do not impose requirements, exclusions, reimbursement terms or other conditions different from those applied to non-contract pharmacies or non-covered entities.

Ongoing actions by pharmaceutical companies and pharmacy benefit managers are diverting savings away from patient care and into corporate pockets. State legislatures across the country are taking action to ensure that the health care safety-net can continue to access this program. Contract pharmacy restrictions have allowed drug companies to benefit at the expense of the health care safety-net and have limited access to care.

Sponsors

Senator Donna Bailey (D-York)
Representative Joshua Morris (R-Turner)
Representative Robert W. Nutting (R-Oakland)
President Matthea Daughtry (D-Cumberland)
Representative Anne-Marie Mastraccio (D-Sanford)
Senator Marianne Moore (R-Washington)
Senator Joseph Baldacci (D-Penobscot)
Representative John E. Ducharme III (R-Madison)
Representative Ann Fredericks (R-Sanford)





What does it look like when a drug company discriminates against a 340B entity?

Over the past five years, more than 35 <u>pharmaceutical manufacturers</u> have placed several restrictive and discriminatory requirements on 340B entities, resulting in millions in lost savings for Maine's safety-net providers. **LD 1018 addresses these common tactics and protects the health care safety-net in Maine - at no cost to the taxpayer or government.**

Contract Pharmacy Restrictions

Discriminatory Actions Related to Reimbursement Drug manufacturers are limiting the maximum distance between a 340B entity and a contract pharmacy and limiting the number of pharmacies a 340B entity can partner with. For one Maine FQHC that has 12 service sites across 9 counties, this means a patient may be required to travel over an hour to access an essential medication since they are no longer able to access a contract pharmacy close to their home.

Manufacturers and PBMs are imposing terms and conditions on 340B entities that differ from non-340B entities (fees, charges, clawbacks, dispensing fees, pharmacy network restrictions, inventory management system requirements, data submission requirements). These unnecessary requirements are incredibly burdensome and interfere with a patient's choice to receive drugs from a 340B entity.

Our use of the term "340B entity" is meant for the ease of the reader and to provide consistency in the bill text. It does not redefine the federal term of "340B covered entity"









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For over 30 years, the 340B Program has increased access to care for rural and underserved communities. Efforts to restrict this program only serve to increase profits for pharmaceutical companies at the expense of patient care across Maine.



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Maine Primary Care Association (MPCA) is a membership organization representing Maine's Community Health Centers, which provide high quality, primary and preventive medical, behavioral health and dental services for 1 in 6 Mainers. Since its founding in 1981, MPCA has provided technical assistance and training, housed relevant programs and services and advocated on behalf of Maine's healthcare safety net and the hundreds of thousands of patients it serves each year.



Contact: Jeff Austin, jaustin@themha.org

The Maine Hospital Association represents 36 community-governed hospitals in Maine. Formed in 1937, the Augusta-based non-profit Association is the primary advocate for hospitals in the Maine State Legislature, the U.S. Congress and state and federal regulatory agencies. It also provides educational services and serves as a clearinghouse for comprehensive information for its hospital members, lawmakers and the public. MHA is a leader in developing healthcare policy and works to stimulate public debate on important healthcare issues that affect all of Maine's citizens.



Contact: Amy Downing, amy@maineshp.org

The Maine Society of Health System Pharmacists assists pharmacists in organized health care settings providing leadership that will allow pharmacy and pharmacists to provide high quality pharmaceutical services that foster efficacy, safety, and cost effectiveness, provide a positive relationship between health care needs of the public and the practice of pharmacy and promote pharmacists as vital members of the health care team. MSHP strives to provide an interactive statewide environment where pharmacists can strive to achieve their full potential in scope of knowledge and provide supportive expertise towards quality patient care.



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The Maine Pharmacy Association is a statewide, non-profit trade association representing individual pharmacists in the state. We are the first professional state pharmacy association in the country. The Maine Pharmacy Association has been serving the interests of Maine pharmacy since 1867. The Maine Pharmacy Association promotes public health by advocating for the profession of pharmacy.

Protect 340B & Protect Health Care for Rural and Underserved Communities in Maine