

House Study Bill 590 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
HEALTH AND HUMAN SERVICES
BILL BY CHAIRPERSON MEYER)

A BILL FOR

1 An Act relating to manufacturers and wholesalers of 340B drugs.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 510D.1, Code 2024, is amended by adding
2 the following new subsections:

3 NEW SUBSECTION. 01. *"340B drug"* means a covered outpatient
4 drug for which a manufacturer has offered a reduced price
5 pursuant to 42 U.S.C. §256b, and that is purchased by a covered
6 entity.

7 NEW SUBSECTION. 5A. *"Manufacturer"* means the same as
8 defined in section 1927(k)(5) of the federal Social Security
9 Act.

10 NEW SUBSECTION. 10. *"Wholesaler"* means the same as defined
11 in section 1927(k)(11) of the federal Social Security Act.

12 Sec. 2. Section 510D.2, Code 2024, is amended by adding the
13 following new subsection:

14 NEW SUBSECTION. 4. A manufacturer or wholesaler shall not
15 do any of the following:

16 a. Either directly or indirectly deny, restrict, or
17 otherwise interfere with the acquisition or purchase of a
18 340B drug by a covered entity, or delivery of a 340B drug
19 to a contract pharmacy, unless such purchase or receipt is
20 prohibited by the United States department of health and human
21 services.

22 b. Impose reporting requirements or restrictive contract
23 terms that are not required by law in order for a covered
24 entity or a contract pharmacy to purchase and receive 340B
25 drugs.

26 EXPLANATION

27 The inclusion of this explanation does not constitute agreement with
28 the explanation's substance by the members of the general assembly.

29 This bill relates to manufacturers and wholesalers of 340B
30 drugs.

31 "340B drug", "manufacturer", and "wholesaler" are defined
32 in the bill. The bill prohibits a manufacturer or wholesaler
33 from, directly or indirectly, denying, restricting, or
34 interfering with either the acquisition or purchase of a 340B
35 drug by a covered entity, or the delivery of a 340B drug to a

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1 contract pharmacy, unless otherwise prohibited by the United
2 States department of health and human services. The bill
3 prohibits a manufacturer or wholesaler from requiring reporting
4 requirements or imposing contractual restrictions that are
5 not required by law in order for a covered entity or contract
6 pharmacy to purchase and receive 340B drugs.