

AN ACT

3902.70
3902.71 To amend sections 5164.751 and 5167.01 and to enact sections ~~3902.50~~, ~~3902.51~~,
4729.49, and 5167.123 of the Revised Code to prohibit a pharmacy benefit
manager from taking certain actions with respect to reimbursements made to
health care providers that participate in the federal 340B Drug Pricing Program.

Be it enacted by the General Assembly of the State of Ohio:

3902.70
3902.71 SECTION 1. That sections 5164.751 and 5167.01 be amended and sections ~~3902.50~~, ~~3902.51~~,
4729.49, and 5167.123 of the Revised Code be enacted to read as follows:

3902.70 Sec. ~~3902.50~~. As used in this section and section ~~3902.51~~ of the Revised Code:

3902.71 (A) "340B covered entity" and "third-party administrator" have the same meanings as in
section 5167.01 of the Revised Code.

(B) "Health plan issuer" has the same meaning as in section 3922.01 of the Revised Code.

(C) "Terminal distributor of dangerous drugs" has the same meaning as in section 4729.01 of
the Revised Code.

3902.71 Sec. ~~3902.51~~. (A) On and after the effective date of this section, a contract entered into
between a health plan issuer, including a third-party administrator, and a 340B covered entity shall
not contain any of the following provisions:

(1) A reimbursement rate for a prescription drug that is less than the national average drug
acquisition cost rate for that drug as determined by the United States centers for medicare and
medicaid services, measured at the time the drug is administered or dispensed, or, if no such rate is
available at that time, a reimbursement rate that is less than the wholesale acquisition cost of the
drug, as defined in 42 U.S.C. 1395w-3a(c)(6)(B);

(2) A dispensing fee reimbursement amount that is less than the reimbursement amount
provided to a terminal distributor of dangerous drugs under section 5164.753 of the Revised Code;

(3) A fee that is not imposed on a health care provider that is not a 340B covered entity;

(4) A fee amount that exceeds the fee amount for a health care provider that is not a 340B
covered entity.

(B) No health plan issuer or third-party administrator making payments pursuant to a health
benefit plan shall discriminate against a 340B covered entity in a manner that prevents or interferes
with an enrollee's choice to receive a prescription drug from a 340B covered entity or its contracted
pharmacies.

(C) Any provision of a contract entered into between a health plan issuer and a 340B covered
entity that is contrary to division (A) of this section is unenforceable and shall be replaced with the
dispensing fee or reimbursement rate that applies for health care providers that are not 340B covered
entities.

Robert R. Capps

Speaker _____ of the House of Representatives.

[Signature]

President _____ of the Senate.

Passed December 17, 2020

Approved JANUARY 6, 2021

Mike DeWine

Governor.



The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code. *



Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the 11TH day of JANUARY, A. D. 2021.



Secretary of State.

File No. 88

Effective Date APRIL 12, 2021

*This certification has required my designation of the following in the left-hand margin as a proper code section number:

3902.70 and 3902.71



Director, Legislative Service Commission

(133rd General Assembly)
(Amended Senate Bill Number 263)

AN ACT

To amend sections 5164.751 and 5167.01 and to enact sections ~~3902.70~~, ~~3902.54~~, ~~3902.57~~, 4729.49, and 5167.123 of the Revised Code to prohibit a pharmacy benefit manager from taking certain actions with respect to reimbursements made to health care providers that participate in the federal 340B Drug Pricing Program.

Introduced by

Senator Hackett

Cosponsors: Senators Maharath, Wilson, Craig, Thomas, Antonio, Kunze, Schuring, Blessing, Coley, Dolan, Fedor, Gavarone, Hoagland, Huffman, M., Huffman, S., Johnson, Lehner, Manning, McColley, O'Brien, Roegner, Rulli, Schaffer, Sykes, Yuko
Representatives Clites, Koehler, Lanese, Liston, Russo, Strahorn, Sweeney, West

Passed by the Senate,

December 2, 2020

Passed by the House of Representatives,

December 17, 2020

*Filed in the office of the Secretary of State at
Columbus, Ohio, on the*

11th day of JANUARY, A. D. 2021


Secretary of State.