House Bill 2371 SA2 (340B)

In conversations with legislators, Big Pharma has erroneously suggested that the 340B Program lacks transparency, and that covered entities are obtaining "duplicate discounts" on the same medication for one patient. While the rigorous audits currently performed regularly on 340B providers do not support these claims, we have addressed them anyway by requiring covered entities to abide by greater transparency requirements and instill additional measures to prevent duplicate discounts.

Transparency

Specifically, SA2 to HB 2371 requires covered entities to submit an annual report to the General Assembly that contains the following information:

- The name of the 340B covered entity;
- A copy of the 340B covered entity's annual 340B program recertification;
- The covered entity's community benefits report, including the amount of charity care they provide;
- The aggregate acquisition cost for prescription drugs obtained under the 340B Program;
- The aggregate payment amount received for drugs obtained under the 340B Program;
- The number of claims for prescription drugs received under the 340B Program;
- A description of any adverse 340B program audits within the preceding 12 months; and
- A description of the impact of the 340B program on the patients and community served by the 340B covered entity.

Medicaid Study

In the amendment, HFS is required to undertake a study on the 340B program and how it impacts Medicaid in Illinois. This report is due to the General Assembly by January 1, 2028.

Prevention and Reimbursement of Duplicate Discounts

To further safeguard against duplicate 340B discounts, each 340B covered entity will maintain a policy that ensures it is not placing an order for a 340B drug if any other 340B covered entity will place an order for that same 340B drug. The policy will also include a process to reimburse a manufacturer for any duplicate 340B discount the covered entity receives.

Limitations on Dispensing Drugs

SA2 also specifies that 340B covered entities can only dispense or administer a 340B drug in connection with an outpatient health care service received by a patient within the last 18 months.

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