



Senate Fiscal Agency
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Senate Bill 1179 (as introduced 12-4-24)
Sponsor: Senator Sam Singh
Committee: Oversight

Date Completed: 12-10-24

CONTENT

The bill would amend the Public Health code to prohibit a drug manufacturer, wholesaler, or wholesale distributor-broker from limiting a 340B Program entity's access to drugs covered under the Federal 340B Program.

The Federal 340B Drug Pricing Program requires manufacturers that participate in Medicaid to sell certain drugs at reduced prices. Under the bill, "340B drug" would mean a covered outpatient drug eligible for reduced pricing under the Federal 340B Drug Pricing Program. "340B entity" would mean an entity authorized by the Federal 340B Drug Pricing Program as provided in Federal law, such as a federally qualified health center.

The bill would prohibit a manufacturer, wholesaler, or wholesale distributor-broker from doing any of the following:

- Denying, restricting, prohibiting, conditioning, discriminating against, or otherwise limiting the acquisition of a 340B drug by a 340B entity.
- Denying, restricting, prohibiting, conditioning, discriminating against, or otherwise limiting the acquisition of a 340B drug by, or the delivery of a 340B drug to, a pharmacy that was under contract with or otherwise authorized by a 340B entity to receive a 340B drug on behalf of the 340B entity.
- Designating a person to act on behalf of the manufacturer, wholesaler, or wholesale distributor-broker to engage in the prohibited conduct above.

The bill would allow a manufacturer, wholesaler, or wholesale distributor-broker to engage in the conduct prohibited under the bill if otherwise authorized by State or Federal law.

Proposed MCL 333.17757c

Legislative Analyst: Eleni Lionas

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Nathan Leaman

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