HOUSE RESEARCH

- Bill Summary :

File Number: H.F. 1269 Date: April 13, 2018

Version: Delete everything amendment H1269DE2-1

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Subject: Federally Qualified Health Centers; 340B Drug Program

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Overview

This bill requires FQHCs and rural health clinics to submit claims for services provided on or after January 1, 2019, to the Commissioner of Human Services for payment. The bill also requires the commissioner to develop recommendations for a process to identify 340B drugs that are dispensed to managed care enrollees who are patients of an FQHC, and to assess the impact of allowing FQHCs that use a contract pharmacy to utilize 340B drug discounts for these individuals.

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- Other clinic services. Amends § 256B.0625, subd. 30. Requires FQHCs and rural health clinics to submit claims for services provided on or after January 1, 2019, directly to the commissioner for payment. Requires the commissioner to provide claims information to managed care and county-based purchasing plans. (Under current law, DHS has the option to require FQHCs and rural health clinics to submit claims to the agency or to the managed care or county-based purchasing plan.)
- **Encounter reporting of 340B eligible drugs.** (a) Requires the Commissioner of Human Services, in consultation with specified entities, to develop recommendations for a process to identify and report at point of sale 340B drugs dispensed to enrollees of managed care organizations who are patients of an FQHC, and to exclude these claims from the Medicaid drug rebate program and ensure that duplicate discounts do not occur. Requires the commissioner to assess the impact of allowing FQHCs to utilize 340B drug discounts if a FQHC utilizes a contract pharmacy for a patient enrolled in the prepaid medical assistance program.

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(b) Requires the commissioner, by March 1, 2019, to report recommendations to the chairs and ranking minority members of the legislative committees with jurisdiction over MA.