

**SENATE  
STATE OF MINNESOTA  
NINETY-FIRST SESSION**

**S.F. No. 3859**

(SENATE AUTHORS: **UTKE and Hoffman**)

**DATE**  
03/02/2020

**D-PG**  
5122

**OFFICIAL STATUS**  
Introduction and first reading  
Referred to Health and Human Services Finance and Policy

1.1 A bill for an act  
1.2 relating to human services; requiring the commissioner of human services to  
1.3 develop a process to identify and report 340B drugs at point of sale.  
1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. **ENCOUNTER REPORTING OF 340B DRUGS.**

1.6 (a) By January 1, 2021, the commissioner of human services, in consultation with  
1.7 representatives of federally qualified health centers, as defined in Minnesota Statutes, section  
1.8 145.9269, subdivision 1, shall develop a process to identify and report at point of sale the  
1.9 340B drugs that are dispensed to enrollees of managed care organizations served by federally  
1.10 qualified health centers in order to exclude 340B claims from the Medicaid drug rebate  
1.11 program. In developing this process, the commissioner shall work with federally qualified  
1.12 health centers, managed care organizations, and contracted pharmacies to ensure that 340B  
1.13 entities are allowed to maximize the 340B program and the 340B program drug discounts  
1.14 when 340B entities utilize contract pharmacies for patients enrolled in the prepaid medical  
1.15 assistance program, while ensuring that duplicate discounts for these drugs do not occur.

1.16 (b) The commissioner shall inform the chairs and ranking minority members of the  
1.17 legislative committees with jurisdiction over health and human services policy and finance  
1.18 of the process developed under paragraph (a), or if applicable, the reasons why this process  
1.19 could not be developed as required.