HOUSE OF REPRESENTATIVES THIRTY-SECOND LEGISLATURE, 2024 STATE OF HAWAII H.R. NO. 166

HOUSE RESOLUTION

URGING THE DEPARTMENT OF HEALTH TO EXPLORE AVENUES TO ENSURE CONTINUED ACCESS TO AFFORDABLE MEDICATIONS FOR THE STATE'S UNDERSERVED POPULATIONS UNDER THE 340B DRUG PRICING PROGRAM AND URGING HAWAII'S CONGRESSIONAL DELEGATION AND RELEVANT FEDERAL AGENCIES TO MONITOR PHARMACEUTICAL COMPANIES AND TAKE APPROPRIATE ACTIONS TO PROTECT THE INTEGRITY OF THE 340B DRUG PRICING PROGRAM.

WHEREAS, the federal 340B Drug Pricing Program (340B 1 Program) requires pharmaceutical companies to sell outpatient 2 drugs at discounted prices to covered entities, including 3 certain types of hospitals, for the pharmaceutical companies' 4 medications to be covered by Medicaid; and 5 6 7 WHEREAS, more than two thousand six hundred hospitals were 8 participating in the 340B Program as of January 2023; and 9 10 WHEREAS, to be eligible for the 340B Program, hospitals must meet various criteria, which may include treating 11 disproportionate numbers of low-income Medicare and Medicaid 12 patients, as measured by each hospital's disproportionate share 13 hospital adjustment percentage; and 14 15 WHEREAS, the 340B Program plays a vital role in supporting 16 17 access to affordable pharmaceuticals for eligible hospitals serving vulnerable populations across the United States; and 18 19 WHEREAS, the 340B Program enables participating hospitals 20 to stretch scarce federal resources to reach more eligible 21 patients and provide comprehensive health care services to 22 underserved communities; and 23 24 25 WHEREAS, it is crucial to safequard the integrity and effectiveness of the 340B Program to ensure continued 26 availability of discounted medications; and 27 28 WHEREAS, pharmaceutical companies have a responsibility to 29 support access to affordable medications for all patients, 30 including those served by hospitals participating in the 340B 31



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Program (340B hospitals), and should refrain from engaging in 1 actions that hinder the ability of eligible hospitals to fulfill 2 their mission of providing high-quality care to underserved 3 populations; and 4 5 WHEREAS, recent trends indicate that pharmaceutical 6 companies are intentionally undermining the purpose of the 340B 7 Program by imposing provisions that restrict the ability of 340B 8 hospitals to utilize contracted pharmacies for the distribution 9 of drugs under the 340B Program (340B drugs); and 10 11 WHEREAS, these restrictions jeopardize the ability of 340B 12 hospitals to effectively serve their patients and create 13 14 unnecessary barriers to accessing affordable medications; now, therefore, 15 16 17 BE IT RESOLVED by the House of Representatives of the Thirty-second Legislature of the State of Hawaii, Regular 18 Session of 2024, that the Department of Health is urged to 19 explore avenues to collaborate with 340B hospitals, community 20 pharmacies, and other stakeholders to ensure the continued 21 22 accessibility to affordable medications for underserved populations in Hawaii; and 23 24 BE IT FURTHER RESOLVED that the Department of Health is 25 urged to work with pharmaceutical companies to ensure that the 26 companies uphold their commitment to patient access to 27 affordable pharmaceuticals by refraining from implementing 28 29 restrictions that undermine the ability of 340B hospitals to serve their patients and communities; and 30 31 32 BE IT FURTHER RESOLVED that the Hawaii congressional 33 delegation and relevant federal agencies are urged to monitor 34 and address any instances of pharmaceutical company actions that restrict access to 340B drugs and to take appropriate 35 36 legislative or regulatory action to protect the integrity of the 340B Program; and 37 38 39 BE IT FURTHER RESOLVED that certified copies of this 40 Resolution be transmitted to the Director of Health, Hawaii's



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1 congressional delegation, and Administrator of the Health
2 Resources and Services Administration.
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