

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Health & Human Services.

SB25-124 be amended as follows:

- 1 Amend reengrossed bill, page 2, strike lines 9 through 24.
- 2 Page 3, strike lines 1 through 4.
- 3 Renumber succeeding C.R.S. sections accordingly.
- 4 Page 3, strike lines 7 through 15 and substitute:
 - 5 (1) "340B DRUG" MEANS "MEANS A DRUG THAT:
 - 6 (a) IS A COVERED OUTPATIENT DRUG WITHIN THE MEANING SET
 - 7 FORTH IN 42 U.S.C. SEC. 256B;
 - 8 (b) HAS BEEN SUBJECT TO ANY OFFER FOR REDUCED PRICES BY A
 - 9 MANUFACTURER PURSUANT TO 42 U.S.C. SEC. 256b (a)(1); AND
 - 10 (c) PURCHASED BY A 340B COVERED ENTITY, AS DEFINED IN 340B
 - 11 (a)(4) OF THE FEDERAL "PUBLIC HEALTH SERVICE ACT", 42 U.S.C. SEC.
 - 12 256b (a)(4). AS USED IN THIS SUBSECTION (2)(c), A DRUG IS CONSIDERED
 - 13 "PURCHASED" IF IT WOULD HAVE BEEN PURCHASED BUT FOR THE
 - 14 RESTRICTION OR LIMITATION DESCRIBED IN SECTION 6-29-105.
 - 15 (2) "340B NET REVENUE" MEANS THE DIFFERENCE BETWEEN THE
 - 16 AGGREGATED MARKET RATE COSTS AND THE AGGREGATED ACQUISITION
 - 17 COSTS FOR 340B DRUGS."
- 18 Page 4, line 7, before "DENVER" insert "AN INDEPENDENT NONPROFIT
- 19 HOSPITAL WITH FEWER THAN FIFTY LICENSED BEDS,".
- 20 Page 4, line 13, strike "**profits.**" and substitute "**net revenue.**".
- 21 Page 4, line 14, strike "PROFITS" and substitute "NET REVENUE".
- 22 Page 4, strike line 16.
- 23 Page 4, line 17, strike "COMPENSATION" and substitute
- 24 "(a) COMPENSATION".
- 25 Page 5, line 2, strike the second "AND".
- 26 Page 5, line 3, strike "EXPENSES." and substitute "EXPENSES; AND".
- 27 Page 5, after line 3, insert:
 - 28 "(g) SALARIES FOR THE NONPROFIT HOSPITAL'S CHIEF EXECUTIVE

1 OFFICER, CHIEF FINANCIAL OFFICER, CHIEF ADMINISTRATIVE OFFICER,
2 CHIEF OPERATIONS OFFICER, OR ANY OTHER SENIOR EXECUTIVE OFFICER
3 AT THE VICE PRESIDENT LEVEL OR ABOVE.

4 (2) (a) A NONPROFIT HOSPITAL THAT IS A REPORTING HOSPITAL, AS
5 DEFINED IN SECTION 25.5-1-701, MUST SPEND AT LEAST EIGHTY PERCENT
6 OF 340B NET REVENUE ON DIRECT PATIENT SERVICES OR CAPITAL
7 IMPROVEMENTS THAT MAINTAIN OR INCREASE ACCESS TO PATIENT CARE
8 FOR LOW-INCOME POPULATIONS.

9 (b) FOR PURPOSES OF SUBSECTION (2)(a) OF THIS SECTION, DIRECT
10 PATIENT SERVICES INCLUDES:

11 (I) CHARITY CARE;
12 (II) THE DIFFERENCE BETWEEN MEDICARE AND MEDICAID
13 PAYMENTS AND THE COST OF CARE;
14 (III) FINANCIAL SUPPORT PROVIDED TO A FEDERALLY QUALIFIED
15 HEALTH CENTER, A CRITICAL ACCESS HOSPITAL AS DESCRIBED IN 42 U.S.C.
16 SEC. 256b (a)(4)(N), OR OTHER 340B COVERED ENTITY, AS DEFINED IN
17 340B (a)(4) OF THE FEDERAL "PUBLIC HEALTH SERVICE ACT", 42 U.S.C.
18 SEC. 256b (a)(4). THAT IS NOT A HOSPITAL, FOR THE PURPOSE OF
19 INCREASING ACCESS TO CARE FOR LOW-INCOME PATIENTS; AND
20 (IV) OTHER HEALTH-CARE PRODUCTS AND SERVICES PROVIDED
21 FOR LOW-INCOME PATIENTS THAT ARE OTHERWISE NOT REIMBURSED OR
22 REIMBURSED AT BELOW COST."

23 Page 5, strike lines 4 through 27.

24 Page 6, strike lines 1 through 17 and substitute:

25 **"25.5-2.5-304. Hospital transparency reporting.** (1) A
26 NONPROFIT HOSPITAL THAT IS A REPORTING HOSPITAL, AS DEFINED IN
27 SECTION 25.5-1-701, SHALL INCLUDE THE FOLLOWING INFORMATION IN
28 THE ANNUAL REPORT SUBMITTED PURSUANT TO SECTION 25.5-1-703(3):

29 (a) THE AGGREGATE ACQUISITION PRICE FOR PRESCRIPTION DRUGS
30 OBTAINED UNDER THE 340B PROGRAM;

31 (b) THE AGGREGATED MARKET PRICE FOR DRUGS OBTAINED UNDER
32 THE 340B PROGRAM AND DISPENSED OR ADMINISTERED TO PATIENTS;

33 (c) THE NUMBER OF TRANSACTIONS FOR PRESCRIPTION DRUGS
34 DESCRIBED IN SUBSECTION (1)(b) OF THIS SECTION;

35 (d) THE SUM OF THE AGGREGATED PAYMENTS MADE TO:

36 (I) A CONTRACT PHARMACY TO DISPENSE DRUGS OBTAINED UNDER
37 THE 340B PROGRAM;

38 (II) ANY OTHER ENTITY, THAT IS NOT A 340B COVERED ENTITY AS
39 DEFINED 340B (a)(4) OF THE FEDERAL "PUBLIC HEALTH SERVICES ACT",
40 42 U.S.C. SEC. 256b (a)(4) OR A CONTRACT PHARMACY, FOR MANAGING

- 1 ANY ASPECT OF THE COVERED ENTITY'S 340B PROGRAM."
- 2 Renumber succeeding C.R.S. sections accordingly.
- 3 Page 6, line 20, strike "WHOLESALE",
- 4 Page 6, line 22, strike "WHOLESALE",
- 5 Page 6, strike line 27.
- 6 Page 7, strike lines 1 and 2 and substitute "A 340B COVERED ENTITY, AS
- 7 DEFINED IN 42 U.S.C. SEC. 256b (a)(4)."
- 8 Page 7, strike lines 18 through 27.
- 9 Page 8, strike lines 1 through 16.
- 10 Renumber succeeding section accordingly.

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