# STATE OF NEW YORK

6987--A

2025-2026 Regular Sessions

# IN ASSEMBLY

March 18, 2025

Introduced by M. of A. SEPTIMO, ALVAREZ, TAPIA, GRIFFIN, BICHOTTE HERMELYN, REYES, YEGER, HEVESI -- read once and referred to the Committee on Health -- recommitted to the Committee on Health in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public health law, in relation to requiring transparency requirements for certain 340B drugs

**The People of the State of New York, represented in Senate and Assembly, do enact as follows:**

Section 1. The public health law is amended by adding a new section 280-e to read as follows:

**§ 280-e. Accountability to safeguard benefits for vulnerable patients. 1. For the purposes of this section, the following terms shall have the following meanings:**

**(a) "340B drug" shall mean a covered outpatient drug, as defined by 42 USC § 1396r-8(k)(2), that has been subject to any offer for reduced prices by a manufacturer pursuant to 42 USC § 256b(a)(1), and is purchased by a covered entity.**

**(b) "340B profits" shall mean the difference between aggregated payments received from insurers, payors, or self-paying patients for all 340B drugs and the aggregate acquisition cost pay for all 340B drugs.**

**(c) "340B program" shall mean the federal drug pricing program described in 42 USC § 256b.**

**(d) "Charity care" shall have the same meaning as ascribed to such term as is found in line twenty-three of the S-10 Medicare cost worksheet or any successor form.**

**(e) "Contract pharmacy" shall mean a pharmacy with which a covered entity has contracted to dispense 340B drugs on behalf of such covered entity to patients of such covered entity, whether distributed in person, via mail, or by other means.**

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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(f) "Covered entity" shall have the same meaning as under 42 USC § 256b(a)(4). Provided, however, a covered entity shall not include a federally qualified health center.

(g) "Low-income patient" shall mean a patient of a covered entity with a family income below two hundred percent of the federal poverty guidelines.

2. Beginning April first, two thousand twenty-seven, each covered entity shall report to the department with respect to such covered entity and separately for each offsite outpatient facility associated with such covered entity, in a form and manner as determined by the department, the following information about the prior year:

(a) Delineated by form of insurance or payor type, including but not limited to Medicaid, Medicare, commercial insurance, and uninsured to include:

(i) aggregated acquisition costs paid for all 340B drugs;

(ii) aggregated payments received from insurers, payors, and self-paying patients for all 340B drugs;

(iii) the total number of prescriptions and percentage of the covered entity's prescriptions that were filled with 340B drugs; and

(iv) the percentage of patients served by a sliding fee scale for 340B drugs at the point of sale for low-income patients.

(b) The total operating costs for such covered entity, and itemized costs for:

(i) implementing direct pass through of 340B profits to patients in the form of lower cost sharing for 340B drugs at the point of dispensing or administration;

(ii) implementing a sliding fee scale for 340B drugs at the point of sale for low-income patients; and

(iii) charity care.

(c) The total payments made to:

(i) contract pharmacies for 340B program related services and other functions;

(ii) third-party administrators for managing any components of such covered entity's 340B program; and

(iii) any other third parties in connection with 340B program-related compliance, legal, educational, and/or administrative costs.

(d) The total number of contract pharmacies, including:

(i) the number of contract pharmacies located out-of-state and the states in which such out-of-state pharmacies are located;

(ii) the total number of prescriptions and the percentage of the covered entity's prescriptions that were filled at contract pharmacies, delineated by in-state and out-of-state contract pharmacies;

(iii) the total remuneration paid to or retained by contract pharmacies or their affiliates for any 340B program-related services performed on behalf of the covered entity; and

(iv) the percentage change in total remuneration paid to or retained by contract pharmacies or their affiliates as described in subparagraph (iii) of this paragraph compared to the prior year.

3. An officer of a covered entity shall certify the completeness and accuracy of the report submitted pursuant to subdivision two of this section.

4. The department shall post all reports submitted by covered entities pursuant to subdivision two of this section on a publicly accessible website.

§ 2. This act shall take effect immediately.