



PRAIRIE
HEALTH VENTURES

So Now What? Moving on LB168 & 340B

Legal

- ❖ This presentation should not be considered as legal advice.
- ❖ PHV strongly recommends contacting your legal team for advice on how to proceed with changes to your 340B program operations

Agenda



Prairie Health Venture Background



State Contract Pharmacy Protection Bills

- Summary of Bills
- Ad Campaigns
- State Comparison



LB168 Next Steps

- Timelines
- Analysis & Budgeting



340B Hot Topics

- IRA & Rebates
- MTM Qualifications
- CBRM
- Odds and Ends

Prairie Health Ventures Background

- ❖ Health Care Alliance of 59 non-profit Hospitals
 - 700+ Affiliates
- ❖ Owned and Directed by Member Hospitals
- ❖ Provides a range of services including Group Purchasing, ACO, USAC Consulting, 340B Consulting
- ❖ 340B management and consulting to more than 30 Rural hospitals for over a decade
 - 340B Align
 - 340B Program Management

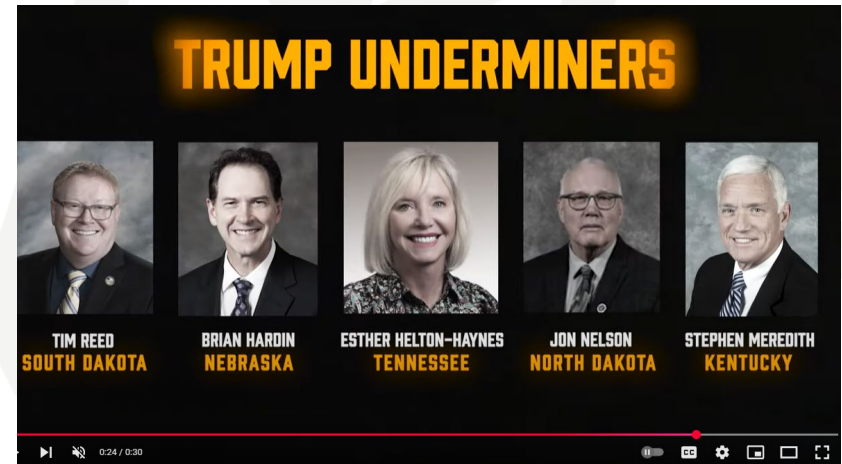


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Contract Pharmacy State Bills

- ❖ More than **32** States have introduced contract pharmacy protection bills
 - ❖ South Dakota was the first in 2025 to pass their bill
 - ❖ **13** other States passed bills (5 this year)
- ❖ Nebraska:
 - ❖ **LB168** signed into law April 9th, 2025
 - ❖ Emergency clause- effective immediately upon Governor signature
 - ❖ Dark money ads focus 340B on transgender health, immigration, reproductive health, and 340B “mark-ups”
- ❖ Other 340B State Provisions:
 - Reporting Requirements
 - Direction on use of savings
 - Carve out different Entity Types





Domestic Policy Caucus
Sponsored



340B: FUELING MASSIVE PHARMACY CHAINS, KILLING MAINSTREET



Paid for by Domestic Policy Caucus

340B is a massive, out... more

[LEARN MORE](#)

LB 168 vs Other State Bills

Nebraska

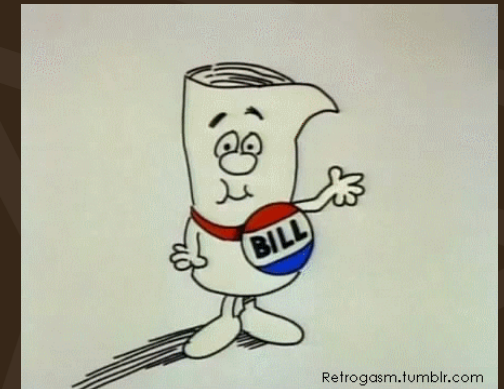
- ❖ Prohibits manufacturers from directly or indirectly restricting 340B drugs to CE's and their contract pharmacies
 - ❖ Including through any claims, utilization or purchase data requirements
 - ❖ AG or County Attorney could take enforcement actions

Arkansas

- ❖ Prohibits Restrictions
- ❖ **Upheld by 8th District Appellant Court**
- ❖ First to send enforcement order
- ❖ \$50K per manufacturer for each 6 month period out of compliance
- ❖ 32 manufacturers lift restrictions

Minnesota

- ❖ Prohibits Restrictions
- ❖ 0 enforcement mechanism
- ❖ Judge ruled in favor of Pharma due to no harm could be levied



LB 168 vs Other State Bills

South Dakota

- ❖ Passed bill in March 2025
- ❖ CE or pharmacy can file civil action
- ❖ Only Merck lifted restrictions

Kansas

- ❖ Passed in 2024 with multiple manufacturers lifting restrictions
- ❖ AG “No language... prohibits manufacturers from deny, restricting, prohibiting with 340B”
- ❖ Most restrictions added back

Missouri

- ❖ Passed in 2024
- ❖ Judge dismissed multiple arguments, but still deliberating on a few
- ❖ 18 manufacturers lifted restrictions

LB168: Next Steps

- ❖ Effective **Immediately**
- ❖ 340B Rostering Period = First 15 days of every quarter
- ❖ Should I unblock restrictions now?
 - **NO!**
 - Wait for manufacturers to announce release of restrictions
 - If/When manufacturers release restrictions:
 - Consider effective date
 - Consider inventory and financial concerns for pharmacy
 - Review Contract Pharmacy Network Prescription Map
- ❖ Documenting the “Harms”:
 - Calculate total revenue **not** captured by restrictions at least **quarterly**
 - Work with other Nebraska hospital to build case
 - “Harm” does not have to be realized (aka negative profit claim)

LB168: Analysis & Budgeting



❖ Build your Contract Pharmacy Network Map:

- Use eRx File and past contract relationships
- Work with TPA/consultant to contact Chain/Specialty Pharmacies

❖ Budget Range by State Scenarios

- Build Analysis considering current restrictions/designations
- Add in manufacturer policy by State (SD, MO, AK) and with no restrictions
- Review Range to create future 340B Budget

❖ Considerations:

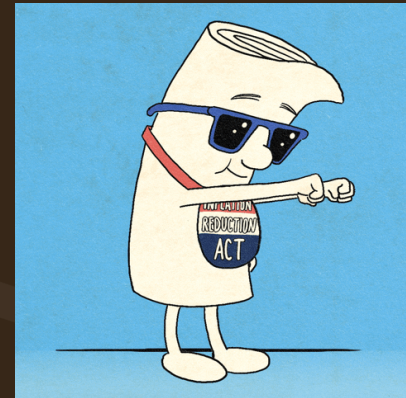
- Maximum Fair Price (MFP): Starts 1/1/2026
- Tariffs?



Hot Topics: IRA and Rebate Models

❖ IRA: MFP pricing for first 10 drugs **starts** 1/1/2026

- Manufacturers will pay the lower of **EITHER** MFP or 340B price
- Decreases overall 340B savings at **BOTH** mixed-use and retail/contract pharmacy
- Eliquis, Jardiance, Xarelto, Januvia, Farxiga, Entresto, Enbrel, Imbruvica, Stelara, Novolog
- Considerations:
 - Exclude MFP/Medicare part D for 10 drugs at contract pharmacy?
 - Cut to WAC pricing due to inflationary penalties?
 - Medicare Part B MFP **coming 2028**



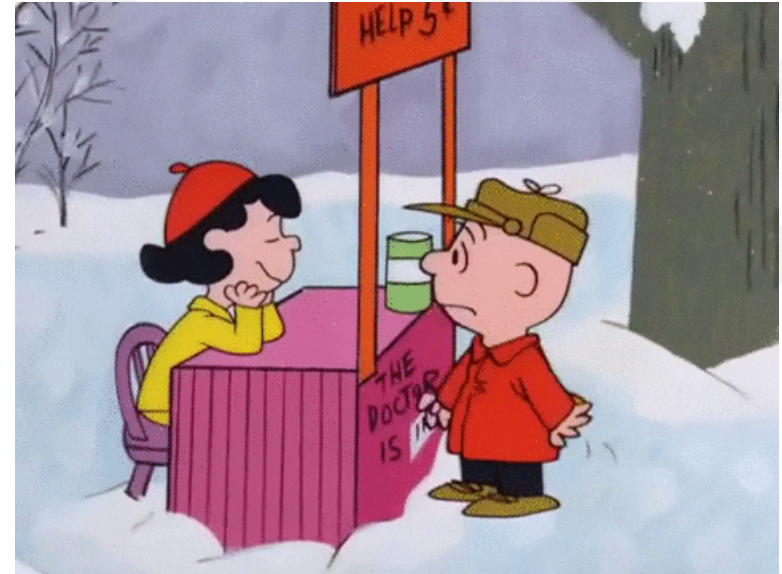
❖ Rebates:

- Shift from upfront discount to after-WAC purchase rebate
- Use Beacon platform to administer rebate program requiring data uploads
 - Questions:
 - How to refute denials? How to change WAC to GPO? What does Beacon consider eligible encounter? Etc.
- J&J and Sanofi announced and postponed Rebate models in October and December 2024

Hot Topics: MTM Encounters & CBRM

❖ MTM as an eligible encounter?

- Entities currently refuting HRSA audit findings
- MTM completed by entity owned pharmacy
- Pharmacist = “Health Care Professional”
- Encounter documented in EMR at eligible clinic location
- Qualify scripts **AFTER** MTM completion



❖ Credit Based Replenishment Model:

- Virtually credit/re-bill retail/contract pharmacy retail purchases to 340B account
- **Eliminates** need for physical 340B inventory to be sent
- Great for NDC Shortages/out of stock or missed savers
- Cardinal = CBRM
- McKesson = VRR
- ABC/Cencora = ISP

Odds and Ends

❖ Modifiers

- 1/1/2024 **All** entities should report TB Modifiers on 340B Medicare Claims “purchased” through 340B
- Best Guess Approach: Auto-apply modifiers on “Outpatient, Non-medicaid, No Orphans, Part B, No Generics, No RHC”
 - Optional: Positive Savers, Status K and G NDCs”
 - Consider Top 10-25 drugs if burdensome

❖ OPAIS Updates

- Update Medicare Cost Report dates **within 30 days** of filing cost report



<https://www.cms.gov/medicare/medicare-fee-for-service-payment/hospitaloutpatientpps/downloads/billing-340b-modifiers-under-hospital-ops.pdf>

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Questions?



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Thank you!