West Virginia Becomes Third State to Enact 340B Contract Pharmacy Protection Law



West Virginia Gov. Jim Justice (R) signed into law today a bill to prohibit drugmaker 340B contract pharmacy restrictions, making West Virginia the third state in the nation to enact such a law.

On March 27, Justice signed a bill, S.B.325, that will <u>bar drug</u> <u>manufacturers from restricting</u> the acquisition or delivery of 340B discounted drugs to covered entities and contract pharmacies in the state. It also will prohibit drugmakers from requiring 340B providers to submit claims data as a condition for accessing 340B drugs. The law will take effect on June 6.

The West Virginia House <u>overwhelmingly passed</u> the bill, 96-1, on March 8, and the state senate unanimously passed the bill, 31-0, on Feb. 7. West Virginia was also one of the first states in the country to enact legislation to prohibit pharmacy benefit managers from limiting payments to providers based on their 340B status.

Three States with 340B Contract Pharmacy Laws

West Virginia now joins <u>Arkansas</u> and <u>Louisiana</u> as the only three states to enact laws prohibiting drugmakers from restricting 340B contract pharmacy access. The U.S. 8th Circuit Court of Appeals <u>upheld</u> <u>Arkansas' law</u> on March 12, and the Louisiana law remains subject to multiple ongoing legal challenges from the drug industry.

In response to those state laws, at least 13 drugmakers have exempted Arkansas providers from their contract pharmacy restrictions, and at least seven have done so in Louisiana. An Arkansas state official told 340B Report that the state plans to imminently move forward with additional enforcement actions against other drug manufacturers after the 8th Circuit decision.

State 340B Legislative Activity

Meanwhile, six other states have a 340B contract pharmacy protection bill that has passed at least one state legislative chamber. In <u>Virginia</u>, the legislation has passed both chambers and awaits a decision from the governor by April 8. A total of at least 22 states have introduced

340B contract pharmacy bills this session.

Amid the increased 340B legislative activity in the states, 340B Report has compiled a tracker of its latest coverage of 340B contract pharmacy bill activity in the current legislative session and bills previously enacted.