
SENATE RESOLUTION

URGING THE GOVERNOR TO ENSURE THAT RELEVANT STATE AGENCIES, INCLUDING THE DEPARTMENT OF HEALTH AND DEPARTMENT OF HUMAN SERVICES, COLLABORATE 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.

1 WHEREAS, the federal 340B Drug Pricing Program (340B
2 Program) requires pharmaceutical companies to sell outpatient
3 drugs at discounted prices to covered entities, including
4 certain types of hospitals and federally qualified health
5 centers (FQHCs), for the pharmaceutical companies' medications
6 to be covered by Medicaid; and

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8 WHEREAS, more than two thousand six hundred hospitals were
9 participating in the 340B Program as of January 2023; and

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11 WHEREAS, to be eligible for the 340B Program, hospitals
12 must meet various criteria, which may include treating
13 disproportionate numbers of low-income Medicare and Medicaid
14 patients, as measured by each hospital's disproportionate share
15 hospital adjustment percentage; and

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17 WHEREAS, the 340B Program plays a vital role in supporting
18 access to affordable pharmaceuticals for eligible hospitals and
19 FQHCs serving vulnerable populations across the United States;
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22 WHEREAS, the 340B Program enables participating hospitals
23 to stretch scarce federal resources to reach more eligible
24 patients and provide comprehensive health care services to
25 underserved communities; and
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1 WHEREAS, it is crucial to safeguard the integrity and
2 effectiveness of the 340B Program to ensure continued
3 availability of discounted medications; and
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5 WHEREAS, pharmaceutical companies have a responsibility to
6 support access to affordable medications for all patients,
7 including those served by hospitals and FQHCs participating in
8 the 340B Program (340B hospitals), and should refrain from
9 engaging in actions that hinder the ability of eligible
10 hospitals and FQHCs to fulfill their mission of providing high-
11 quality care to underserved populations; and
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13 WHEREAS, recent trends indicate that pharmaceutical
14 companies are intentionally undermining the purpose of the 340B
15 Program by imposing provisions that restrict the ability of 340B
16 hospitals and FQHCs to utilize contracted pharmacies for the
17 distribution of drugs under the 340B Program (340B drugs); and
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19 WHEREAS, these restrictions jeopardize the ability of 340B
20 hospitals and FQHCs to effectively serve their patients and
21 create unnecessary barriers to accessing affordable medications;
22 now, therefore,
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24 BE IT RESOLVED by the Senate of the Thirty-second
25 Legislature of the State of Hawaii, Regular Session of 2024,
26 that the Governor is urged to ensure that relevant state
27 agencies, including the Department of Health and Department of
28 Human Services, collaborate to:
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- 30 (1) Explore avenues to collaborate with 340B hospitals and
31 FQHCs, community pharmacies, and other stakeholders to
32 ensure the continued accessibility to affordable
33 medications for underserved populations in Hawaii; and
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- 35 (2) Work with pharmaceutical companies to ensure that the
36 companies uphold their commitment to patient access to
37 affordable pharmaceuticals by refraining from
38 implementing restrictions that undermine the ability
39 of 340B hospitals and FQHCs to serve their patients
40 and communities; and
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1 BE IT FURTHER RESOLVED that the Hawaii congressional
2 delegation and relevant federal agencies are urged to monitor
3 and address any instances of pharmaceutical company actions that
4 restrict access to 340B drugs and to take appropriate
5 legislative or regulatory action to protect the integrity of the
6 340B Program; and

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8 BE IT FURTHER RESOLVED that certified copies of this
9 Resolution be transmitted to the Governor, Director of Health,
10 Director of Human Services, Hawaii's congressional delegation,
11 Administrator of the Health Resources and Services
12 Administration, and Administrator of the Centers for Medicaid
13 and Medicare Services.

