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Kansas Action for Children
Written-Only Proponent Testimony on SB 284
Senate Committee on Financial Institutions and Insurance

Chairwoman Dietrich and members of the Committee:

Thank you for the opportunity to provide proponent testimony in support of SB 284, which **prohibits pharmaceutical manufacturers from interfering with 340B covered entities' ability to contract with external pharmacologies under the 340B program.**

Organizations that participate in the federal 340B program (including participating hospitals and clinics) can purchase medications from manufacturers at steep discounts. Manufacturers are required to offer these discounted prices if they want to participate in the Medicare and Medicaid programs.

SB 284 preserves access to these services and savings by stopping pharmaceutical companies' attempts to limit covered entities' ability to obtain medications at 340B pricing.

Kansas kids benefit from the 340B program because covered entities pass savings on to patients who have difficulty affording medications, increasing access to these medications.

Additionally, covered entities are entitled to receive reimbursement for the non-discounted price of 340B drugs. Participating hospitals and clinics use those savings **(the difference between what they paid for the drugs and the reimbursement level)** to expand services that enhance the quality of care but are not reimbursable by payers and to fund additional clinic and hospital staff.

Thank you again for the opportunity to offer testimony in support of SB 284. If I can be of further assistance, please contact me at heather@kac.org.

About Kansas Action for Children

Kansas Action for Children is a nonprofit advocacy organization working to make Kansas a place where every child has the opportunity to grow up healthy and thrive. We work across the political spectrum to improve the lives of Kansas children through bipartisan advocacy, partnership, and information-sharing on key issues, including early learning and education, health, and economic security for families.