



KANSAS
ASSOCIATION OF
COUNTIES

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Senate Financial Institutions and Insurance Committee
March 17, 2025
SB 284

Kansas Association of Counties
Proponent Testimony – Written Only

Chairwoman Dietrich and members of the Committee:

Thank you for allowing the Kansas Association of Counties to offer proponent testimony on SB 284, which would prohibit manufacturer interference relating to 340B drug distribution.

County hospitals are a crucial part of their communities, particularly in rural areas where these hospitals represent critical medical care, often the only care available for miles in any direction. Making sure that these hospitals stay open to serve their communities is important for Kansas.

To that end, KAC supports programs that increase Medicaid reimbursements and reduce waiting lists to decrease uncompensated care and ensure the financial success of the hospital system. One such program is the 340B program, which provides access to affordable medications.

The 340B program helps hospitals retain access to many services, particularly in more rural areas where access to these services can be limited by geography. Under 340B, drug manufacturers that participate in Medicaid must give the same drug pricing to hospitals, including county hospitals that care for low-income, uninsured and underinsured patients. This pricing is critical to helping these hospitals maintain their bottom line.

Protecting the 340B program is important to county hospitals and the counties that support them. Without the 340B program, hospital costs increase, which in turn increases property taxes for those communities that are supporting their county hospital.

For these reasons, KAC supports SB 284 and would ask the committee to recommend it favorably for passage. Thank you for your time and attention.

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