

HB 1755-FN - AS INTRODUCED

2026 SESSION

26-3133

05/06

HOUSE BILL ***1755-FN***

AN ACT relative to the 340B discounted drug purchasing program.

SPONSORS: Rep. Polozov, Merr. 10; Rep. Litchfield, Rock. 32; Rep. Ulery, Hills. 13

COMMITTEE: Health, Human Services and Elderly Affairs

ANALYSIS

This bill requires participants in the 340B program to report specified data annually to the department of health and human services and the department of justice. This bill also requires the department of health and human services to report aggregated data to the general court.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT relative to the 340B discounted drug purchasing program.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Subdivision; 340B Discounted Drug Purchasing Program; Reporting Requirements.

2 Amend RSA 126-A by inserting after section 106 the following new subdivision:

3 340B Discounted Drug Purchasing Program; Reporting Requirements

4 126-A:107 Definitions. In this subdivision:

5 I. "340B Covered Entity" means an entity described in 42 U.S.C. 256b(a)(4)(L) through 42
6 U.S.C. 256b(a)(4)(O) that:

7 (a) Is authorized to participate in the federal 340B Drug Pricing Program under Section
8 340B of the federal Public Health Service Act; and

9 (b) Has a service address in the state of New Hampshire as of January 1 of the reporting
10 year.

11 (c) The term includes any offsite outpatient facility affiliated under the 340B program
12 with an entity described in this subdivision.

13 II. "340B program" refers to the federal 340B Drug Pricing Program established under 42
14 U.S.C. 256b.

15 III. "Charity care" means the unreimbursed cost to a hospital of providing, funding, or
16 otherwise financially supporting health care services:

17 (a) To a person classified by the hospital as financially indigent or medically indigent on
18 an inpatient or outpatient basis; and

19 (b) To financially indigent patients through other nonprofit or public outpatient clinics,
20 hospitals, or health care organizations.

21 IV. "Financially indigent" means an uninsured or underinsured person who is accepted for
22 care with no obligation or a discounted obligation to pay for the services rendered based on the
23 hospital's financial criteria and procedure used to determine if a patient is eligible for charity care.
24 The criteria and procedure must include income levels and means testing indexed to the federal
25 poverty guidelines. A hospital may determine that a person is financially or medically indigent
26 under the hospital's eligibility system after health care services are provided.

27 V. "Medically indigent" means a person whose medical or hospital bills after payment by
28 third party payors exceed a specified percentage of the patient's annual gross income as determined
29 in accordance with the hospital's eligibility system, and who is financially unable to pay the
30 remaining bill.

31 126-A:108 340B Drug Pricing Program Reporting.

1 I. Before April 1 of each year, a 340B covered entity shall report the following information
2 and transactions to the department of health and human services and the attorney general
3 concerning the 340B covered entity's participation in or participation on behalf of the 340B covered
4 entity in the federal 340B program for the previous calendar year:

5 (a) Name.

6 (b) Service Address.

7 (c) 340B Program Identification Number.

8 (d) Designation of entity type, as specified in 42 U.S.C. 256b(a)(4), of the 340B covered
9 entity.

10 (e) The aggregate acquisition cost for all prescription drugs obtained under the 340B
11 program and dispensed or administered to patients.

12 (f) The aggregate payment amount received for all drugs obtained under the 340B
13 program and dispensed or administered to patients.

14 (g) The aggregate payment made to pharmacies under contract to dispense drugs
15 obtained under the 340B program.

16 (h) The number of claims for prescription drugs described in subparagraph (e).

17 (i) How the 340B covered entity uses any savings from participating in the 340B
18 program, including the amount of savings used for the provision of charity care, community benefits,
19 or a similar program of providing unreimbursed or subsidized health care.

20 (j) The aggregate payments made to any other entity that is not a 340B covered entity
21 and is not a contract pharmacy for managing any aspect of the 340B covered entity's 340B program.

22 (k) The aggregate payment made for any other administering expense for the 340B
23 program.

24 (l) The aggregate number of prescription drugs dispensed or administered to patients for
25 which a payment was reported under subparagraph (e).

26 (m) The percentage of the 340B covered entity's claims that were for prescription drugs
27 obtained under the 340B program.

28 (n) The number and percentage of low income patients of the 340B covered entity that
29 were served by a sliding fee scale for a prescription drug dispensed or administered under the 340B
30 program.

31 (o) The 340B covered entity's total operating costs.

32 (p) The 340B covered entity's total costs for charity care.

33 (q) A copy of the 340B covered entity's financial assistance policy for the reporting year.

34 (r) The number of patients sent to collections.

35 (s) The aggregate number of financially indigent, medical indigent, and low income
36 patients sent to collections.

1 II. The information required to be reported under paragraph I shall, to the extent feasible,
2 be reported by payer type, including the following:

- 3 (a) Commercial.
- 4 (b) Medicaid.
- 5 (c) Medicare.
- 6 (d) Uninsured.

7 III. The data submitted in the reports required under this section is confidential and is not
8 available for public inspection.

9 IV. Before November 15 of each year, the department of health and human services shall
10 prepare a report that aggregates the data submitted under paragraph I and:

- 11 (a) Submit the report to the speaker of the house of representatives, the senate
12 president, and the house and senate clerk.
- 13 (b) Post the report on the department of health and human services website.

14 V. Using all powers available under RSA 7:19 through RSA 7:32 and any related law, the
15 director of charitable trusts shall review the data submitted pursuant to this subdivision, including
16 information regarding the use of 340B savings and the sending of patients to collections, to evaluate
17 compliance with New Hampshire charitable trust and nonprofit obligations pursuant to RSA 7:24.

18 VI. In any legal determination as to whether an entity is operating for a bona fide charitable
19 purpose, knowingly sending a substantial number of financially indigent, medically indigent, or low-
20 income patients to collections shall be considered a significant factor in favor of finding that the
21 entity is operating as a for-profit business.

22 VII. If, after notice and opportunity for hearing under RSA 7:28-c, the director of charitable
23 trusts makes a final determination that a charitable entity is operating primarily as a for-profit
24 business in violation of RSA 7:24, the director shall promptly notify the internal revenue service
25 exempt organizations division of such findings, including supporting documentation.

26 126-A:109 Penalties.

27 I. A 340B covered entity that fails to provide the information required under this chapter by
28 the date required shall be subject to a fine of \$1,000 per day for which the information is past due.

29 II. A violation of the intent of the 340B program identified by the director of charitable
30 trusts shall be an unfair or deceptive trade practice under RSA 358-A and subject to all fines and
31 penalties available under RSA 358-A.

32 2 Effective Date. This act shall take effect January 1, 2027.

**HB 1755-FN- FISCAL NOTE
 AS INTRODUCED**

AN ACT relative to the 340B discounted drug purchasing program.

FISCAL IMPACT: This bill does not provide funding, nor does it authorize new positions.

Estimated State Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	\$0	\$0	\$0	\$0
<i>Revenue Fund(s)</i>	None			
Expenditures*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			
Appropriations*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

***Expenditure = Cost of bill**

***Appropriation = Authorized funding to cover cost of bill**

The Office of Legislative Budget Assistant is unable to provide a complete fiscal note for this bill, as introduced, as it is awaiting information from the Department of Health and Human Services. The Department was originally contacted on 11/19/25 and again in 12/11/25 for a fiscal note worksheet. When completed, a revised fiscal note will be forwarded to the House Clerk's Office

METHODOLOGY:

This bill requires all entities covered under the 340B discounted drug purchasing program to submit annual financial and programmatic data to the Department of Health and Human Services and the Department of Justice beginning in 2027. Required reporting includes drug acquisition and payment amounts, contract pharmacy arrangements, charity care, sliding-fee-scale usage, collection practices, and operating costs. The Department of Justice, through the Director of Charitable Trusts, is charged with reviewing the data for compliance with RSA 7:24, including whether entities' collection practices and use of 340B savings align with their charitable purpose. The bill authorizes penalties for non-reporting and treats certain violations as unfair or deceptive trade practices.

The Department of Justice estimates it will need two additional full-time attorneys and one full-time financial analyst/investigator to manage the increased workload in the Charitable Trusts Unit. This additional personnel will conduct annual reviews, analysis, and potential enforcement of detailed 340B data, including evaluating charity care practices, reviewing financial records,

assessing possible RSA 7:24 violations, and preparing for hearings or referrals. These positions are estimated to cost \$398,000 in FY27, \$402,000 in FY28, and \$408,000 in FY29.

As of this writing, the Department of Health and Human Services has not provided information relative to the cost of its responsibilities under the bill.

AGENCIES CONTACTED:

Departments of Justice and Health and Human Services