



PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 225 be amended to read as follows:

- 1 Page 1, between lines 10 and 11, begin a new paragraph and insert:
- 2 "SECTION 7. IC 12-15-35.5-10, AS ADDED BY P.L.213-2025,
- 3 SECTION 119, IS AMENDED TO READ AS FOLLOWS
- 4 [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) As used in this section,
- 5 "340B covered entity" means an entity authorized to participate in the
- 6 federal 340B Drug Pricing Program under Section 340B(a)(4) of the
- 7 federal Public Health Service Act (42 U.S.C. 256b(a)(4)) and includes
- 8 any pharmacy under contract with the entity to dispense drugs on
- 9 behalf of the entity.
- 10 (b) **Subject to subsection (c)**, the office of the secretary shall
- 11 determine whether outpatient prescription drugs prescribed to
- 12 Medicaid recipients from a 340B covered entity are eligible for rebates
- 13 under the 340B drug pricing program or whether those prescriptions
- 14 shall be subject to rebates under the Medicaid drug rebate program
- 15 under Section 1927 of the federal Social Security Act.
- 16 (c) **Before January 1, 2028, outpatient prescription drugs**
- 17 **prescribed to Medicaid recipients by the following are eligible for**
- 18 **rebates under the federal 340B Drug Pricing Program:**
- 19 (1) **An entity established under IC 16-22-8 that is authorized**
- 20 **to participate in the federal 340B Drug Pricing Program.**
- 21 (2) **An entity described in 42 U.S.C. 256b(a)(4)(A) through**

1 **(a)(4)(K) that is authorized to participate in the federal 340B**
2 **Drug Pricing Program.**

3 ~~(e)~~ **(d)** The office of the secretary may adopt rules under IC 4-22-2
4 and any written policies or procedures as necessary to implement this
5 section."

6 Page 6, after line 25, begin a new paragraph and insert:
7 "SECTION 8. IC 27-1-24.5-19.5, AS AMENDED BY
8 P.L.213-2025, SECTION 298, IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19.5. (a) This
10 section does not apply to:

- 11 (1) a Medicaid managed care organization (as defined in 42
12 U.S.C. 1396b(m)); and
- 13 (2) the state Medicaid program when Medicaid provides
14 reimbursement for covered outpatient drugs (as defined in 42
15 U.S.C. 1396r-8(k)) on a fee for service basis.

16 (b) As used in this section, "340B covered entity" means an entity
17 authorized to participate in the federal 340B Drug Pricing Program
18 under Section 340B(a)(4) of the federal Public Health Service Act (42
19 U.S.C. 256b(a)(4)) and includes any pharmacy under contract with the
20 entity to dispense drugs on behalf of the entity.

21 (c) The following provisions may not be contained in a contract
22 between a pharmacy benefit manager and a 340B covered entity:

- 23 (1) A reimbursement rate for a prescription drug that would
24 diminish the 340B benefit to a 340B covered entity.
- 25 (2) A fee or adjustment that is not imposed on a pharmacy that is
26 not a 340B covered entity.
- 27 (3) A fee or adjustment amount that exceeds the fee or adjustment
28 amount imposed on a pharmacy that is not a 340B covered entity.
- 29 (4) Any provision that prevents or interferes with an individual's
30 choice to receive a prescription drug from a 340B covered entity,
31 including the administration of the drug.
- 32 (5) Any provision that excludes a 340B covered entity from
33 pharmacy benefit manager networks based on the 340B covered
34 entity's participation in the federal 340B Drug Pricing Program.
- 35 (6) Any provision that discriminates against a 340B covered
36 entity.

37 A violation of this subsection by a pharmacy benefit manager
38 constitutes an unfair or deceptive act or practice in the business of
39 insurance under IC 27-4-1-4.

40 (d) For contracts between a pharmacy benefit manager and a 340B
41 covered entity that are entered into, amended, or renewed after June 30,
42 2021, a provision that violates subsection (c) is considered void and
43 unenforceable.

44 **(e) Notwithstanding subsection (a), before January 1, 2028,**
45 **subsections (b), (c), and (d) apply to a Medicaid managed care**
46 **organization (as defined in 42 U.S.C. 1396b(m)) for the following**

1 **entities:**
2 **(1) An entity established under IC 16-22-8 that is authorized**
3 **to participate in the federal 340B Drug Pricing Program.**
4 **(2) An entity described in 42 U.S.C. 256b(a)(4)(A) through**
5 **(a)(4)(K) that is authorized to participate in the federal 340B**
6 **Drug Pricing Program.**
7 **SECTION 9. An emergency is declared for this act."**
8 **Renumber all SECTIONS consecutively.**
(Reference is to ESB 225 as printed February 17, 2026.)

Representative Judy