



340B Protection

ISSUE BRIEF | Senate Bill 25-071

Background

In recent years, pharmaceutical manufacturers started requiring 340B hospitals to only contract with one pharmacy to access 340B drugs, threatening patient access and the 68 participating hospitals across Colorado. CHA's bill (SB 25-071) prohibits manufacturers from using these restrictions in Colorado. The bill also adds transparency and accountability requirements. Throughout the session, there were other efforts to add highly burdensome reporting requirements on 340B covered entities, none of which succeeded.

SB 25-071: Prohibit Restrictions on 340B Contract Pharmacies

SB 071 prohibits pharmaceutical manufacturers and other related entities from imposing limitations or restrictions on covered hospitals, contract pharmacies, federally qualified health centers, or other facilities participating in the federal 340B Drug Pricing Program. Manufacturers may not require covered entities or pharmacies to submit health information unless it is directly related to a claim under a federal health care program.

What You Need to Know

Under the law, 340B participating hospitals are required to report the following information to HCPF:

- Annual 340B savings from participating in the program;
- How these savings are utilized;
- Market rate costs to acquire 340B drugs; and,
- The total operating costs related to providing charitable care.

The bill also prohibits the use of 340B savings for certain expenses, including administrative compensation, penalties and fines, advertising, and lobbying, among others.

Timeline

HCPF will update the current hospital report template for the annual Community Benefit Report with the metrics required by SB 25-071. Beginning in 2026, hospitals will report the additional metrics in their community benefit reports.

Effective Date: Aug. 6, 2025

Additional Resources

- [SB 25-071 Final Bill Text](#)
- [SB 25-071 Fiscal Note](#)