

Updates to Senate Bill (SB) 25-071: Prohibit Restrictions on 340B Drugs



Background:

SB 25-071, passed in 2025, prohibits pharmaceutical manufacturers from restricting delivery of 340B drugs or placing conditions on participation in the 340B program. That bill also added requirements for hospitals to report on their use of the 340B program in the Hospital Community Benefit Accountability (HCBA) report. Beginning in July 2026, hospitals must report information on 340B savings to HCPF.

What you need to know:

Hospitals must report certain information in their annual HCBA template. Reporting hospitals may determine the contents of this information as long as it fulfills the mandated reporting requirements under the statute.

- Market rate costs – Hospitals must report the aggregate market rate cost for drugs purchased through the 340B program. The statute leaves methodology selection to hospitals, but the calculation should reflect the price the hospital would have paid absent the 340B discount.
- Acquisition price – Hospitals must report the aggregate acquisition cost paid for drugs purchased through the 340B program.
- 340B savings – Savings will be automatically calculated within the reporting template based on the information entered.
- Total operating costs – Hospitals may use either the value reported to HCPF through Hospital Financial Transparency (HFT) reporting or the value from audited financial statements.
- Total costs related to providing charity care – This should reflect the estimated cost of providing free or discounted care/financial assistance, consistent with the “financial assistance at cost” amount reported on IRS Schedule H. This is not the same value as “net benefit expense” reported in Schedule H, Column E, and is more closely aligned with the amount reported in Column C.
- Description of how 340B savings are utilized – Hospitals must provide a narrative description of how 340B savings support hospital operations and patient care. Examples may include serving as a funding source for programs, helping offset unreimbursed costs, or supporting charity care expenses. There is no word limit for this response.

Timeline:

- July 1, 2026: Hospitals will be required to report 340B transparency data in the 2026 HCBA Report

Additional Resources:

- [SB 25-071 Final Bill](#)
- [HCBA Website \(2026 HCBA Template\)](#)