

117TH CONGRESS
1ST SESSION

S. 2837

To amend the Public Health Service Act to clarify rules relating to drug discounts for covered entities.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 23, 2021

Mr. BRAUN introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Public Health Service Act to clarify rules relating to drug discounts for covered entities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “340B Accountability
5 Act of 2021”.

6 **SEC. 2. DRUG DISCOUNTS AND AUDITS FOR COVERED ENTI-**
7 **TIES.**

8 Section 340B(a)(5)(C) of the Public Health Service
9 Act (42 U.S.C. 256b(a)(5)(C)) is amended—

1 (1) by striking “A covered entity shall permit”
 2 and inserting the following:

3 “(i) DUPLICATE DISCOUNTS AND
 4 DRUG RESALE.—A covered entity shall per-
 5 mit”; and

6 (2) by adding at the end the following:

7 “(i) USE OF SAVINGS.—A covered en-
 8 tity shall permit the Secretary to audit, at
 9 the Secretary’s expense, the records of the
 10 entity to determine how net income from
 11 purchases under this section are used by
 12 the covered entity.

13 “(ii) RECORDS RETENTION.—A cov-
 14 ered entity shall retain such records and
 15 provide such records and reports as deter-
 16 mined necessary by the Secretary for car-
 17 rying out this subparagraph.”.

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