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Michael L. Parson

GOVERNOR STATE OF MISSOURI

July 11, 2024

TO THE SECRETARY OF STATE OF THE STATE OF MISSOURI 102nd GENERAL ASSEMBLY SECOND REGULAR SESSION

Herewith I choose to not return to you Senate Substitute for Senate Bill 751 entitled:

An act to amend chapter 376, RSMo, by adding thereto one new section relating to the distribution of 340B drugs.

While I believe the 340B program—as well as Senate Substitute for Senate Bill 751—is flawed, I understand the desire to ensure patients have access to discounted medications, particularly in rural areas where access is already a barrier to care. I am concerned about the impact of the 340B program expansion facilitated through this legislation.

Most troubling, the 340B program at large lacks requirements for cost savings to be passed onto patients and further lacks transparency as to how cost savings are used. Senate Substitute for Senate Bill 751 fails to address those concerns, but places strict restrictions on pharmaceutical manufacturers' ability to deny, restrict, or prohibit the acquisition of 340B-priced drugs by pharmacies that are contracted with or authorized by covered entities under the program.

Further, the 340B program is a product of federal law and regulations. Senate Substitute for Senate Bill 751 inhibits the federal program's structure by placing limitations on how program participation is managed. The use of contract pharmacies by covered entities under the program—among other programmatic concerns—is an issue that should be addressed by Congress.

While I appreciate the General Assembly's intent to improve patient access and affordability, Senate Substitute for Senate Bill 751 also ensures the expansion of a flawed federal program within the state of Missouri.

My concerns aside, my ultimate focus is on patient access and affordability. In accordance with the above stated reasons, I am choosing to not return Senate Substitute for Senate Bill 751 under Article III, Section 31 of the Missouri Constitution.

Submitted,

Michael L. Parson

Governor