

# Both chambers of the Indiana legislature on April 23 passed a 340B hospital reporting bill.

## Indiana Legislature Passes Sweeping 340B Hospital Reporting Bill, Sends to Gov. Braun

April 24, 2025 William Newton, Associate Editor/Senior Writer

Indiana lawmakers yesterday overwhelmingly approved a bill that would require state hospitals to annually report extensive financial and operational information about their 340B programs.

The legislation ([S.B. 118](#)) cleared the Indiana Senate in a unanimous 48-0 vote before passing the House by a wide 89-2 margin shortly thereafter. Both April 23 votes followed weeks of negotiations that narrowed the bill's scope to only apply to 340B hospitals. Meanwhile, provisions in a separate health care bill that would have restricted most hospitals' ability to generate 340B savings, died earlier this month.

S.B. 118 now heads to the desk of Gov. Mike Braun (R), who is widely expected to sign it. Braun has repeatedly pushed for more 340B program oversight throughout his political career.

As governor, Braun [issued a Jan. 21 executive order](#) directing the Indiana Department of Health to investigate whether 340B hospitals are complying with program eligibility rules and properly documenting their 340B facilities. As, a U.S. Senator from 2019 to 2024, Braun also [sponsored multiple bills and amendments](#) opposed by 340B providers. However,

he [co-authored a 2022 letter](#) urging federal action against drugmakers placing 340B contract pharmacy restrictions.

Indiana is the headquarters of Eli Lilly, one of the world's largest drug companies.

### **Extensive Reporting Requirements**

Under Indiana's reporting bill, all Indiana-based disproportionate share hospitals, children's hospitals, critical access hospitals and rural referral centers must submit reports to the state health department by April 1 each year. The report must include:

- the total acquisition cost and payment received for 340B drugs, sorted by payer type;
- the total payments made to contract pharmacies and third-party administrators;
- descriptions of how 340B savings are used to support charity care or community benefits;
- and the percentage of low-income patients who receive discounted or free medications.

The Indiana Department of Health would then compile and publish an aggregated report of the data by November 15 each year. Hospitals that fail to report on time would face a \$1,000 daily fine until the information is submitted.

Darren Covington, executive vice president of the Indiana Pharmacists Association, said Indiana pharmacists "support and are willing to engage in transparency in the 340B program." However, he expressed concerns about some of the bill's specific requirements.

"We have concerns that, the way the bill is written, the reporting may be difficult to accomplish," Covington added. "But we're willing to comply to

the best of our ability and to continue to work with legislators on providing information that they need.”

Scott Tittle, president of the Indiana Hospital Association, said the group “looks forward to continuing conversations with state legislators as hospitals work to comply with the new reporting requirements in the law.”

## **Legislative History**

Indiana lawmakers are sending S.B. 118 to their governor’s desk after both legislative chambers negotiated on different versions of the bill.

On Feb. 4, the Indiana Senate **passed an earlier version of S.B. 118** that applied to all covered entities. Then, on April 1, the Indiana House **voted to pass** an amended version that exempted providers that receive grants from the Health Resources and Services Administration (HRSA). Some state providers said that language made it unclear whether certain HIV/AIDS clinics and STD covered entities would be exempted, as they do not necessarily receive HRSA grants.

However, the state Senate rejected the House’s version, sending the measure to a conference committee, which ultimately produced the version limiting the reporting requirements to hospitals. Both chambers approved that compromise bill on April 23.

Meanwhile, through Indiana lawmakers threw their support behind the 340B hospital reporting bill, they walked back a separate push to place other significant restrictions on 340B hospitals.

On April 3, the Senate Health and Provider Services Committee **removed highly-controversial 340B provisions** and site-neutral payment policies from a broader health care bill (H.B. 1003). Those provisions would have barred most 340B hospitals from charging individuals for a 340B drug “at a price that is greater than the price the 340B covered entity obtained the

drug under the program”—which would have eliminated a majority of the hospitals’ 340B savings.

### **State 340B Provider Reporting Laws**

If Braun signs S.B. 118 into law, Indiana will become the fifth state to enact a provider reporting law. Idaho **enacted a similar law** that applies to all covered entities earlier this year, while three other states—Minnesota, Maine and Washington—enacted provider reporting bills in 2023.

As statehouses across the nation continue their 2025 legislative sessions, 340B Report has compiled a tracker of 340B provider reporting bills introduced in 2025 or previously enacted.