	<b>DEPARTMENT OF CORRECTIONS AND REHABILITATION</b>	EFFECTIVE DATE:	POLICY NO.:
		SEP 02 2025	COR.10.J.04
	<b>CORRECTIONS ADMINISTRATION POLICY AND PROCEDURES</b>	SUPERSEDES (Policy No. & Date): <b>**NEW**</b>	
SUBJECT: <b>340B – PATIENT ELIGIBILITY/DEFINITION</b>		Page 1 of 4	

## 1.0 PURPOSE

To ensure the Health Care Division dispenses, administers, and prescribes 340B drugs only to eligible patients.

## 2.0 SCOPE

This policy applies to the Health Care Division of the Department of Corrections and Rehabilitation.

## 3.0 REFERENCES, DEFINITIONS & FORMS

### .1 References

- a. Veterans Health Care Act of 1992, Public Law 102-585
- b. Department of Corrections and Rehabilitation, Policy and Procedures, COR.10.C.01, Credentialing
- c. Department of Corrections and Rehabilitation, Policy and Procedures, COR.10.J.02, 340B Covered Entity Eligibility
- d. Department of Corrections and Rehabilitation, Policy and Procedures, COR.10.J.05, 340B Prevention of Duplicate Discounts

### .2 Definitions

- a. Administer: Give medication to an individual, typically in a clinic, based on a health care provider's order.
- b. Dispense: Provide medication, typically in a clinic, based on a health care provider's order to be administered to a patient.
- c. Outpatient status: A patient is considered to hold status as outpatient when the patient is within the care and custody of the Department of Corrections and Rehabilitation.
- d. Prescribe: Provide a prescription for a medication to an individual to be filled at an outpatient pharmacy.

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e. 340B-eligible patient: An individual qualifies as a 340B-eligible patient of a covered entity (except for state-operated or funded AIDS Drug Assistance Programs, or ADAPs) if the following criteria are met:

1. Established Relationship: The covered entity has an established relationship with the individual, maintaining records of their healthcare.
2. Healthcare Provider Connection: The individual receives care from a healthcare professional who is either employed by the covered entity or working under a contractual or other arrangement (e.g., referral for consultation), ensuring the covered entity retains responsibility for the individual's care.
3. Services Provided: The individual receives healthcare services from the covered entity that align with the services the entity is authorized to provide through grant funding or federally qualified health center look-alike status.

An individual will not be considered a patient of the covered entity if the only health care service received by the individual from the covered entity is the dispensing of a drug or drugs for subsequent self-administration or administration in the home setting.

Exception: Individuals registered in a state-operated or funded AIDS Drug Assistance Program (ADAP) that receives federal Ryan White funding ARE considered patients of the participant ADAP if so registered as eligible by the state program.

#### 4.0 POLICY

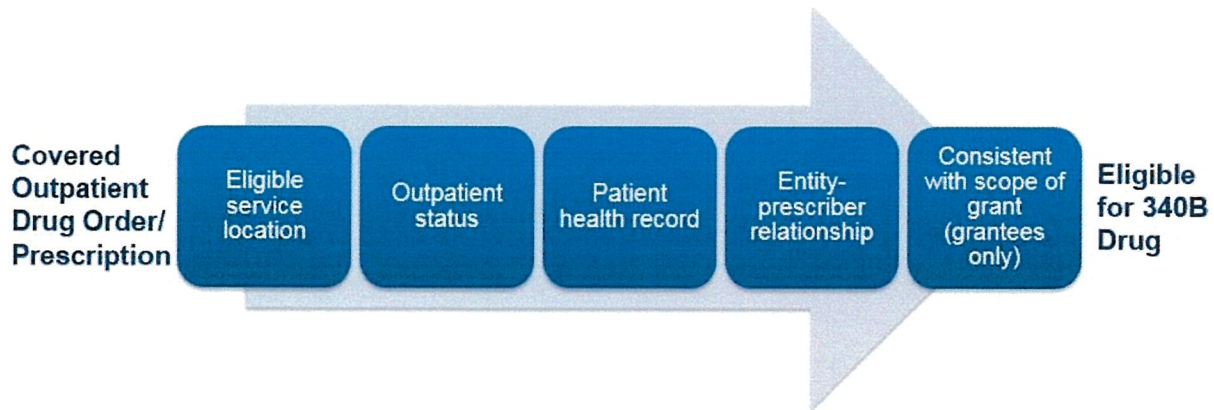
- .1 According to the Final Notice Regarding Section 602 of the Veterans Health Care Act of 1992 on Patient and Entity Eligibility, 340B drugs must be provided only to individuals who are eligible to receive them from covered entities.

#### 5.0 PROCEDURES

*Note: Covered entities must implement the following filters to determine 340B eligibility:*

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- .1 The Health Care Division validates the eligibility of sites and services for the 340B Program. For details, refer to the Policy and Procedure titled “Covered Entity Eligibility” [COR.10.J.02].
- .2 The Health Care Division determines the patient eligibility status for the 340B Program.
  - a. The Health Care Division recertifies its information on 340B OPAIS annually.
    1. The patient is considered to have outpatient status at the time the medication is dispensed or administered, provided they are within the care and custody of the Department.
    2. The nurse administering the medication determines the patient's outpatient status by verifying custody status and location in the electronic health record system or the electronic offender management system.
- .3 The Health Care Division keeps individual health care records in its electronic health record system.
- .4 The Health Care Division determines provider eligibility for the 340B Program.
  - a. A provider is eligible if they are employed by the covered entity or provide health care under contractual or other arrangements (e.g., locum tenens service, Advanced Practice Registered Nurse via a nursing agency, referral for


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consultation) where responsibility for the care remains with the covered entity.

1. Provider credentials are verified as outlined in the Department's Policy and Procedures titled "Credentialing" [COR.10.C.01]
2. The eligible provider list is maintained at the Health Care Division office, reviewed and updated annually, and revised as needed when provider status changes (e.g., new hires, license expirations, or departures).
3. The Health Care Division office submits requests for additions, modifications, or deletions to the electronic health record (EHR) vendor.
4. The eligible provider list is shared with the contract pharmacy, and updates are communicated as needed.
- .5 The Health Care Division ensures that individuals receive health care services from the covered entity that align with the scope of services supported by the entity's grant funding.
- .6 The Health Care Division verifies a patient's Medicaid status to prevent duplicate discounts. For details, refer to the Policy and Procedure titled "Prevention of Duplicate Discounts" [COR.10.J.05]

APPROVAL RECOMMENDED:

  
 Sep 2, 2025  
 Deputy Director for Rehabilitation Services and Programs      Date

APPROVED:

  
 Sep 2, 2025  
 DIRECTOR      Date

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