



State of Louisiana
Louisiana Department of Health
Office of Public Health

MEMORANDUM

To: Partner Agencies

Date: March 19, 2026

Subject: New Prerequisites, Performance Requirements, and Contract Structure for 340B Participating Partners (LDH OPH SHHP section 318 sub grantees)

The Louisiana Department of Health (LDH), Office of Public Health (OPH), STI/HIV/Hepatitis Program (SHHP) is pleased to share with you proposed new prerequisites, performance expectations, and the contract structure for agencies participating in the HRSA 340B pharmaceutical discount program through their partnership with LDH OPH SHHP. A summary of the new proposed requirements is provided below, and the updated 340B Partner Manual and a 340B Contract statement of work (SOW) template and related reference documents are attached to this memo.

Additionally, LDH will host an **in-person summit on March 26th from 10:00 am to 12:00pm at the Bienville Building (628 N 4th Street, Baton Rouge, LA 70802), Room 118** to review these new requirements and contract structure. Participation in this meeting is encouraged.

In addition to this public meeting, **written feedback and comments will be received by LDH until Friday, April 3rd**. Feedback should be sent to the SHHP Director, Samuel Burgess, at samuel.burgess@la.gov.

New Contract Structure

- LDH OPH SHHP will transition from using a Memorandum of Understanding (MOU) format for 340B-related partnerships to a fee-for-service contract format effective immediately upon contract execution or July 1, 2026, whichever comes first.
- Partners will be required to submit monthly invoices and will be reimbursed \$1.00 per patient receiving the full HIV, HCV, and Syphilis screening panel each month, subject to data reporting verification and not to exceed the total approved contract budget.
- Partners will be responsible for purchasing their own testing supplies and all other costs associated with fulfilling the requirements of the contract.
- Accurate monthly testing and treatment data submission is required for invoicing and payment.
- Failure to meet contractual requirements may result in **corrective technical assistance plans, liquidated damages, or early contract termination**, in accordance with the specified contract terms.

New Partnership Prerequisites (includes but not limited to):

Potential partners must demonstrate that they meet the following prerequisite criteria before LDH OPH SHHP will proceed with executing a 340B contract:

- Must demonstrate knowledgeable of and ability to comply with all HRSA 340B Program policies and regulations.
- Must be able to provide laboratory-based confirmatory testing for all patients with positive/reactive HIV, Syphilis, and/or HCV screening results.
- Must be enrolled as a network provider with all Medicaid MCOs.
- Must serve a combined total of at least 45% of uninsured and Medicaid-covered patients of the total patients served annually.
- Must meet at least one of the following location-related criteria:
 - The clinic(s) must be located in a zip code within the applicable LDH public health region where the top 60% of new HIV, syphilis, and/or HCV diagnoses occurred during the last calendar year for which complete data are available. SHHP will distribute the statewide priority zip code list annually.
 - The clinic(s) must provide primary or specialty medical services for which there is a shortage of these services for Medicaid participants in the service area. Medicaid will provide an annual list of primary and specialty medical service shortage areas.
- Must be willing to meet the ongoing performance expectations outlined in the contract.

Annual Administration Fees

In consideration for program management and coordination, an annual fee equal to three percent (3%) of the total site savings and revenues shall be applied. This fee covers the costs of oversight, reporting, compliance, and general administration necessary for successful program execution.

Updated Performance Expectations (includes but not limited to):

- Maintain enrollment as an in-network provider with all managed care organizations providing Louisiana Medicaid coverage to patients.
- Offer routine opt-out HIV, HCV, and syphilis screening to patients at Contractor's specified site(s), ensuring at least 70% of patients receive the screening panel every six months.
- Maintain a combined STI diagnosis rate of at least 2%. This requirement is measured by the total number of patients with a diagnosis of syphilis, HIV, and HCV divided by the number of patients receiving the panel of tests every six months.
- Ensure a combined total of at least 45% of patients served annually are Medicaid participants or uninsured.
- Ensure 100% of patients with reactive/positive HIV, HCV, and syphilis screening tests are provided confirmatory testing and receive their test results.
- Ensure at least 90% of people diagnosed with HIV and/or HCV are linked to or directly provided treatment within 7 days of their diagnosis.
- Provide same-day treatment for at least 90% of patients diagnosed with syphilis. When same-day treatment is not possible, ensure the patient is provided treatment for syphilis within 7 days of their diagnosis.

New 340B-Related Requirements (includes but is not limited to):

- Partners must be knowledgeable of and comply with all HRSA 340B Program policies and regulations.
- Ensure all 340B medications purchased through support of the Contract are used only for qualifying patients.
- Use all 340B-generated savings and revenue to advance the education, screening, and treatment goals of the qualifying grant(s) that support the Contract and through which the Contractor is eligible to participate in the HRSA 340B program. Specific allowable uses of 340B generated savings and revenue include, but are not limited to:
 - Supporting interventions to eliminate congenital syphilis.
 - Conducting routine screening to identify persons with STIs (including HIV and HCV) and ensure diagnosed patients and their partners are provided timely care and treatment (including rapid HIV antiretroviral initiation).
 - Providing expedited partner therapy to treat and post-exposure prophylaxis (commonly referred to as DoxyPEP) to prevent STIs.
 - Providing HIV pre-exposure and post-exposure prophylaxis (PrEP and PEP).
 - Providing STI-related evidence-based education/counseling to patients.
 - Disseminating STI-related evidence-based educational messages and materials to patients and larger service areas/communities.
 - Expand access to primary and specialty medical services, which shall include STI-related screening and treatment services, for Louisiana Medicaid participants and uninsured residents.
- Maintain detailed medical records for each patient receiving services supported by the contract, as well as purchasing, dispensing, billing, and revenue records for each medication purchased through the 340B Program. LDH OPH SHHP may request and audit Contractor's records for onsite or remote monitoring at any time to ensure compliance. Records include, but are not limited to, billing records, medication tracking logs, and related patient records.
- Provide a quarterly report listing each patient for which 340B medications were purchased including but not limited to the following elements: the name and date of birth of each patient; the name, National Drug Code (NDC), invoice number and invoice date of each medication purchased through the 340B Program for each patient; and the amount of program income generated from each 340B purchased medication for each patient.
- Provide a quarterly accounting report detailing how all 340B-related savings and revenues were spent or planned to be spent by the Contractor during the reporting period specified by LDH. LDH may request additional supporting documentation related to this report at any time.

Additional Information and Resources:

Detailed guidance, contract and reporting templates, and performance standards are provided in the **SHHP 340B Partner Manual** and will be maintained on the SHHP 340B Partner website. Partner agencies are encouraged to review all 340B related materials in advance of the upcoming webinars, and any questions or comments related to the updated 340B policies may also be sent to the SHHP Director (samuel.burgess@la.gov) at any time.