

340B Drug Pricing Program



Increasing Access to Affordable Medications for Underserved Patients

Providing access to a full range of affordable comprehensive services, including **pharmacy services, is a key component of the Community Health Center model.** Established in 1992, the 340B Drug Discount Pricing Program enables health centers to purchase outpatient drugs at reduced prices, allowing them to ensure that all low-income patients have access to affordable prescription drugs.

In addition, the savings health centers receive by purchasing discounted medications through the 340B program must be reinvested into health center programs and services. Due to Health centers' slim operating margins, these savings are integral to their ability to sustain ongoing operations. In fact, without the savings from the 340B program, health centers would be severely limited in their ability to support many of their core services such as behavioral health and opioid treatment programs and other activities for their patients.

The Facts

Health centers exemplify the type of safety net program that the 340B program was intended to support. By law, all health centers:

- serve only those areas and populations that HHS has designated as high need,
- ensure that **all patients can access the full range of services they provide**, regardless of insurance status, income, or ability to pay.
- must reinvest all 340B savings into activities that further their mission of expanding access to care for the medically underserved

While every health center decides how its 340B savings can best benefit its patients, these savings often **support clinical pharmacy programs, extended evening and weekend hours, case management services and sliding fee discounts** – ultimately expanding the range and scope of comprehensive services. Health centers are also subject to detailed programmatic and reporting requirements as well as federal oversight that they must adhere to, and which guide their participation in the 340B program.

The Impact

The 340B program is currently under assault on several fronts – and it is crucial that it is protected. Health centers' reliance on 340B is critical to their financial viability and their ability to provide high quality, comprehensive low-cost health services, including affordable medications, to their patients.

How you can help:

- **Cosponsor the PROTECT 340B Act (HR 4390)**, from Reps. David McKinley (R-WV) and Abigail Spanberger (D-VA) to prohibit pharmaceutical benefit managers (PBMs) and insurers from engaging in discriminatory contracting practices or “pick-pocketing” 340B savings from health centers.
- Make it explicitly clear that **340B covered entities are entitled to purchase all drug manufacturers' covered outpatient drugs** at 340B pricing for eligible patients through each covered entity's contract pharmacies.