

The 340B ACCESS Act Protects the Health of Rural Americans

ASAP
340B



Rural hospitals, such as critical access hospitals (CAHs) and sole community hospitals (SCHs), play a crucial role as true safety-net providers in the 340B program. Amid financial challenges, many rural hospitals struggle to meet the health care needs of rural, dispersed patient populations, with nearly 150 rural hospital closures since 2010, according to the Cecil G. Sheps Center for Health Services Research.

For many rural safety-net hospitals operating on thin financial margins, the 340B ACCESS Act strengthens vital 340B resources that not only keep their doors open but also help enable them to meet their communities' needs. And for the first time ever, the 340B program will guarantee lower drug costs for eligible low-income patients at every covered entity site.

1

Refocuses the Intent of the Program

The 340B program is intended to support safety-net providers serving low-income and vulnerable patients. The 340B ACCESS Act enables rural hospitals to increase access to affordable drugs and health services for their communities.

2

Strengthens Eligibility Requirements to Prioritize Safety-Net Providers

The 340B ACCESS Act establishes new eligibility requirements for hospitals and child sites, varying by hospital type, to ensure that the program is benefitting true safety-net providers in underserved communities. The bill protects access for rural health providers like CAHs and SCHs by providing them with flexibility similar to those given to grantees.

3

Ensures Continuity of Care for Rural Patients

The 340B ACCESS Act updates the patient definition in the 340B statute to allow SCHs' and CAHs' to appropriately identify 340B patients, including through eligible referrals. Many patients depend on rural hospitals for health care services and affordable medications. This legislation ensures rural hospitals can refer patients for specialized care while maintaining overall responsibility for patient care and protecting access through telehealth visits.

4

Protects Rural Patients' Access to Contract Pharmacies

With clear criteria on contract pharmacy arrangements and safeguards around duplicate discounts and diversion, the 340B ACCESS Act protects SCHs' and CAHs' access to contract pharmacies for eligible patients. The legislation would also allow CAHs and SCHs to claim 340B discounts on eligible prescriptions their rural patients fill through a mail order pharmacy (which may include a specialty pharmacy).

5

Prevents Middlemen from Siphoning Savings from Rural Communities

The 340B ACCESS Act prohibits pharmacy benefit managers (PBMs) and other for-profit middlemen from implementing discriminatory business practices that siphon 340B savings from rural hospitals and their patients. It also limits the fees contract pharmacies and third-party administrators can charge to a flat, fair-market value fee.

6

Recognizes Vital Role of Rural Emergency Hospitals

Currently, CAHs participating in the 340B program are no longer eligible to participate in the program if they convert to Rural Emergency Hospital (REH) status. The 340B ACCESS Act allows more hospitals to take advantage of the new REH designation without losing their 340B eligibility.

THE 340B ACCESS ACT REALIGNS THE 340B PROGRAM IN THE INTEREST OF RURAL COMMUNITIES.