



HOW COMMUNITY HEALTH CENTERS AND THE 340B PROGRAM CAN PROMOTE HEALTH EQUITY

Millions of Americans in underserved communities depend on Community Health Centers (CHCs) to provide much-needed, high-quality health care. In addition to vital medical services and care, CHCs provide transportation, housing support, nutrition programs, and career services. The 340B program was established to help low-income and other vulnerable patients access more affordable medicines and health services and, in turn, support CHCs and other safety-net providers.

CHCs by the Numbers



31.5 MILLION Americans rely on CHC's and other safety-net clinics as their primary care option.

1 IN 11 PATIENTS IN THE U.S. ARE SERVED BY CHCS:



90%
are low income



64%
of are people of color



400,000
are veterans



61%
are publicly insured



41%
live in rural communities

HEALTH CENTER PATIENTS ARE 35%

MORE LIKELY TO HAVE A CHRONIC CONDITION AND REQUIRE SPECIALIZED CARE

CHCS ARE ALSO A MAJOR SOURCE OF ECONOMIC GROWTH IN THEIR COMMUNITIES

Employing

285,000
staff

Generating

\$85 billion
in economic activity

Saving

\$24 billion
to the health care
system annually

Today, the 340B program is absolutely essential to keeping CHCs' doors open. While CHCs reinvest income they get from the 340B program back into patient care, as required by law, other 340B recipients spend their 340B profits in ways that don't benefit patients.

Flaws in the way the program is structured have caused the program to stray from its original intent. As a result, most 340B discounts are not being used to support communities in need:



Some 340B hospitals register smaller facilities and speciality practices in areas with more privately insured patients so that those sites can also qualify for 340B discounts. As the hospital expands their 340B eligibility, they often reduce services at the original location serving vulnerable communities. (see [ASAP's 2019 340B Report](#))

The current lack of accountability and transparency in the 340B program undermines it for all stakeholders, but especially the true safety-net providers and the patients that they serve. If the 340B program is weakened, existing health disparities will be exacerbated. Clear, practical, and achievable solutions are needed to ensure the program can work as intended, and patients don't continue to get left behind.

For more information, see ASAP's

