

Working to Save America's 340B Program

What is the 340B program?

Congress enacted the 340B program as part of the Public Health Service Act more than 30 years ago to enable true safety-net providers to help low-income and other vulnerable patients access more affordable medicines and health care services. Through the program, biopharmaceutical companies provide steep discounts on outpatient medications to eligible covered entities, which include safety-net hospitals and federal grantees like Community Health Centers (CHCs), Ryan White Clinics, and other providers treating vulnerable populations.

What is a Community Health Center?

CHCs provide increased access to crucial primary care for the most vulnerable patients and communities. First established in 1965, CHCs also promote health equity by expanding access to primary care in medically underserved communities, serving all patients regardless of income or insurance status. More than 30 million Americans rely on CHCs and other safety-net clinics for primary care. Of the patients served:

- **90% are low income**
- **64% are people of color**
- **41% live in rural communities**
- **And these patients are 35% more likely to have a chronic condition and require specialized care.**

CHCs and other safety-net clinics rely on the 340B program to serve their communities. According to a recent survey, 32% of health centers estimated that more than half of patients would go without needed medications if they did not have access to 340B discounts.

Why is the 340B program no longer working as intended ?

Stronger accountability and transparency are needed urgently to ensure the program can begin to work as intended and patients don't continue to get left behind. Some entities that participate in the 340B program have taken advantage of the program's current lack of clarity at the expense of the patients that the program is meant to serve.

Why does this issue need to be addressed now?

The current lack of accountability and transparency in the 340B program undermines it for all stakeholders and threatens the health and well-being of communities served by safety-net providers.

Clear, practical, and achievable solutions are needed to ensure the program can work as intended, and patients don't continue to get left behind. The consequences of inaction are too large to ignore. If we don't act now to modernize the 340B program, we run the risk that underserved communities will be left with diminishing health care options, a lack of emergency services, and overall lower quality care.

What changes to the program would ASAP 340B like to see?

ASAP 340B supports an approach that includes the following policy principles:

1. Make 340B a true-safety net program for patients.
2. Ensure 340B prescriptions are offered to patients at a discount.
3. Update the 340B patient definition with strong safeguards.
4. Establish clear criteria for 340B contract pharmacy arrangements to improve access.
5. Prevent middlemen and other for-profit entities from profiting off the 340B program.
6. Update and strengthen 340B hospital eligibility requirements.
7. Address standards for 340B child sites and subgrantee eligibility.
8. Create a neutral 340B claims data clearinghouse.
9. Facilitate public reporting on 340B program data.
10. Establish enforceable rules and enhance federal administration and oversight of the 340B program.

Who are the partners of ASAP 340B?

We are a partnership of CHCs, patient, provider and consumer advocates and biopharmaceutical industry leaders working to improve the 340B program. The founding partners of our alliance include:

- Autoimmune Association
- Association of Asian Pacific Community Health Organizations
- Black, Gifted, and Whole
- Community Oncology Alliance
- National Association of Community Health Centers
- National Consumers League
- National Hispanic Medical Association
- The National Grange
- NCODA
- OCHIN
- Pharmaceutical Research and Manufacturers of America

To learn more, visit www.asap340b.org and follow us on Twitter at [@ASAP340B](https://twitter.com/ASAP340B).

