



**340B Compliance Workshop**

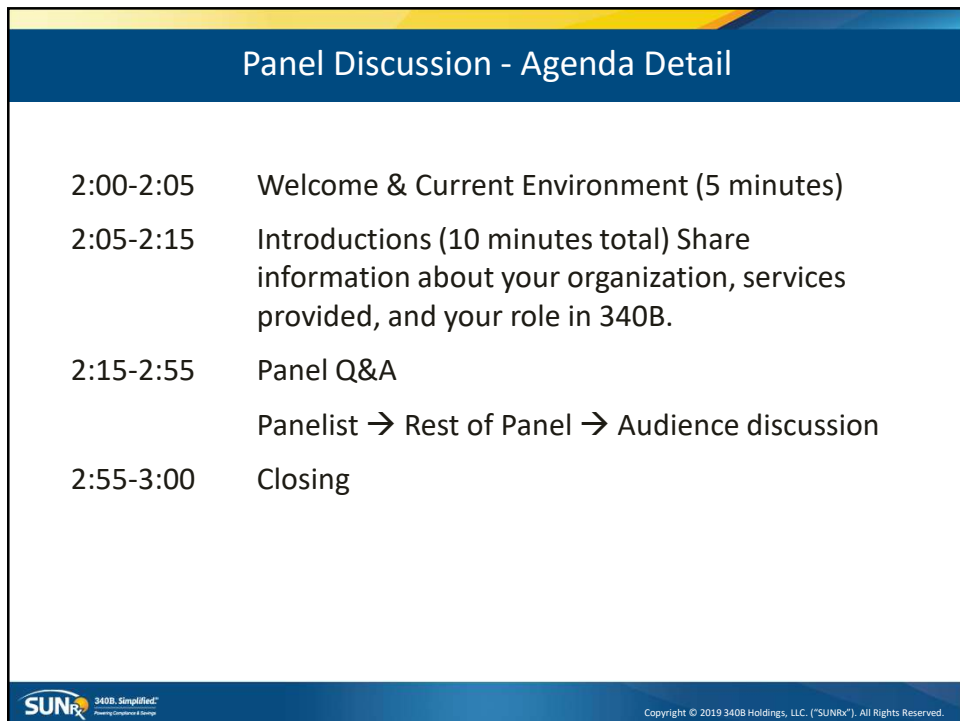
**Stewardship of a 340B Program**  
**Panel Discussion**

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**340B. Simplified.®**  
Powering Compliance & Savings

The slide features a dark blue background with several puzzle pieces in various colors (blue, green, purple, brown) scattered around. Each puzzle piece contains a white icon related to healthcare or business, such as a cross, a document, a dollar sign, and a network diagram.



**Panel Discussion - Agenda Detail**

2:00-2:05	Welcome & Current Environment (5 minutes)
2:05-2:15	Introductions (10 minutes total) Share information about your organization, services provided, and your role in 340B.
2:15-2:55	Panel Q&A Panelist → Rest of Panel → Audience discussion
2:55-3:00	Closing



**340B. Simplified.®**  
Powering Compliance & Savings

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The slide has a white background with a blue header bar. The agenda items are listed in a simple, clean font.

## What is 340B?

The 340B Drug Discount Program was created in 1992 by the federal government, and requires drug manufacturers to provide significant discounts for outpatient drugs to eligible healthcare organizations, also known as “covered entities.”

The program is designed to provide financial benefits to covered entities that serve low-income and uninsured patients. This enables the covered entity to:

1. Expand healthcare services to better serve their communities, and
2. To improve access to more affordable medications for their low-income and uninsured patients.

The mission of Safety-Net Hospitals is to provide quality, cost-effective care for patients and community, with respect and dignity, and without regard to ability to pay.

**The 340B program** helps safety-net Hospitals to generate savings which they can use to support their clinical programs, and expand additional services into the community in which they are located. Local pharmacies partner with these covered entities in delivering expanded services to the community.

SUNRx works hard **to simplify, optimizing** the 340B program for Safety-Net Hospitals to maximize savings and extend savings for their self-pay and underinsured patients in real-time.



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## Section 340B of the Public Health Service Act...


Section 340B of the Public Health Service Act...

*...is a federal program that allows Covered Entities to purchase medications at a significant discount*

Enables safety net providers to: *“stretch scarce federal resources as far as possible, reaching more eligible patients and providing more comprehensive services.”*




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Kansas – Current Environment		
	Kansas	United States
	2,911,505	327,167,434
<b>Housing</b>		
Owner-occupied housing unit rate, 2013-2017	66.40%	63.80%
Median value of owner-occupied housing units, 2013-2017	\$139,200	\$193,500
<b>Education</b>		
High school graduate or higher, percent of persons age 25 years+, 2013-2017	90.50%	87.30%
Bachelor's degree or higher, percent of persons age 25 years+, 2013-2017	32.30%	30.90%
<b>Health</b>		
With a disability, under age 65 years, percent, 2013-2017	8.80%	8.70%
Persons without health insurance, under age 65 years, percent 	10.20%	10.20%
<b>Transportation</b>		
Mean travel time to work (minutes), workers age 16 years+, 2013-2017	19.2	26.4
<b>Income &amp; Poverty</b>		
Median household income (in 2017 dollars), 2013-2017	\$55,477	\$57,652
Per capita income in past 12 months (in 2017 dollars), 2013-2017	\$29,600	\$31,177
Persons in poverty, percent	11.90%	12.30%


## How Hospitals Use 340B Savings


### How Hospitals Use 340B Savings

**ALL hospitals used their savings to support care for low-income and rural patients**

95%  used savings to provide uncompensated care

93%  of rural hospitals used savings to keep the doors of their facility open

72%  of DSH hospitals used savings to offset low reimbursement from Medicaid

70%  used savings to provide free or discounted prescription drugs

\*Results based on survey of 340B Health members conducted in November-December 2018.

## How Hospitals Use 340B Savings

### 340B Savings Lead to Better Outcomes

**81%** -----> reported improved medication adherence

S M T W T F S

**78%** -----> reported reduction in readmissions

Others included: reduced ED use, reduced mortality rates, and improved opioid prescribing and patient care

Results based on survey of 340B Health members conducted in November-December 2018.

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## AHA Good Stewardship

### Call to Action: Hospitals' Commitment to Good Stewardship Principles for the 340B Program

- Communicate the Value of the 340B Program
- Disclose Hospital's 340B Estimated Savings
- Continue Rigorous Internal Oversight

**The 340B Drug Savings Program: HELPING HOSPITALS KEEP PATIENTS & COMMUNITIES HEALTHY**

**Prescription drug prices skyrocket**

How high? From "runaway drug prices" (Washington Post) "Drug prices top Americans' list of health care concerns"

The rapidly rising cost of prescription drugs is threatening access and affordability for millions of Americans who need life-saving medications.

**What is 340B?**

The 340B program requires pharmaceutical manufacturers participating in Medicaid to sell outpatient drugs at discounted prices to hospitals and other organizations that care for communities with many low-income and uninsured patients.

**Hospitals use 340B savings to provide:**

- increased access to care
- clinical pharmacy services
- community outreach programs
- free vaccinations
- transportation to follow-up appointments

**Small program, big benefits for patients and the rest to the government!**

**340B cost is \$11**

**\$457 BILLION** (total drug purchases in the U.S.)

340B is a small program that contributes less than 2.8 percent of the \$457 billion in annual drug purchases made in the U.S., and it does not cost the government or taxpayers money.

**If 340B were scaled back or eliminated**

Despite a 25-year track record of increasing access to care for vulnerable patients and communities, some want to scale back or eliminate the 340B program. This would hurt patients while adding to the bottom profits of pharmaceutical companies.

**Congress should preserve the 340B program to PROTECT PATIENTS' ACCESS TO CARE**

Learn more at! [www.aha.org/press/340B](http://www.aha.org/press/340B)

## Sign Up at

# www.AHA.org/340B

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## 340B Health - Impact Profile

**340B in Action:** Hospital name  
*City, State*

The 340B prescription drug program is a vital lifeline for safety-net providers, supporting critical health services in our communities. The program is narrowly tailored to reach only hospitals that provide a high level of services to low-income individuals or that serve isolated rural communities. Significantly more 340B hospitals provide money-losing vital health services than non-340B hospitals, which include trauma centers, labor and delivery services, HIV/AIDS services, and immunizations.

**340B by the Numbers**

We recommend that you include at least two of the below that best illustrates how you increase access to low-income or otherwise vulnerable populations:

- \$XXXX** Our approximate annual 340B savings
- \$XXXX** Our Payer Mix or DSH Percentage
- \$XX** Amount spent annually on drugs
- \$XX** Operating margin (if you use 340B savings to keep your doors open)
- XXXX** Miles away from the next closest institution that provides similar services
- \$XXXX** Uncompensated care provided last year (uncompensated care includes charity care, bad debt, and underpayment from public programs excluding underpayment from Medicare)

**(Insert Picture of Hospital)**

Upcoming **XXXX**


- Easy-to-use template that helps you tell your 340B story
- You can complete on your own or with 340B Health’s assistance
- Hundreds of hospitals have created an Impact Profile

**Our 340B Story**

- Provide some details about your institution and the community you serve. For example:
- # beds
- Over # employees serve over # patients a year
- Any unique services you may provide

**We use our 340B Savings to:**


- Provide specific ways 340B helps your institution enhance care to low-income individuals
- For example, what programs or services would you have to cut back or eliminate if you were to lose your 340B savings



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# 340B Advocacy in Your Community

## Considerations in telling your 340B story & 340B Savings Lead to Better Outcomes



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