

Kansas Advocacy Issue

Support the 340B Drug Savings Program

Action Needed

The 340B Drug Savings Program is essential to helping safety-net providers stretch limited resources to increase service to their patients and communities. The state can implement legislation to ensure that 340B entities can contract with local pharmacies so that patients can get the care that they need close to home.

Since 1992, the 340B Drug Pricing Program has provided financial help to safety-net hospitals in managing rising prescription drug costs. Section 340B of the Public Health Service Act requires pharmaceutical manufacturers participating in Medicaid to sell outpatient drugs at discounted prices to health care organizations that care for uninsured and low-income patients. These organizations include Critical Access Hospitals, sole community hospitals, rural referral centers, children's hospitals, and public and nonprofit disproportionate share hospitals that serve low-income and indigent populations.

More than 75 community hospitals have registered with the U.S. Department of Health and Human Services, Health Resources and Services Administration in Kansas to participate in the 340B program. According to HRSA, enrolled hospitals and other covered entities can achieve average savings of 25 to 50 percent on pharmaceutical purchases.

KHA urges state policymakers to ensure that to the 340B programs can contract with community pharmacies. Many 340B hospitals are the safety net for their communities. The program generates valuable savings for eligible hospitals to reinvest in programs that enhance patient services and provide needed access to care.



Bottom Line:

We need state policymakers to ensure that 340B covered entities can contract with the community pharmacies so these programs can be a success in communities across Kansas.

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