PROTECTING THE SAFETY NET
For more than 20 years, Congress has provided relief from high prescription drug costs through the 340B Drug Pricing Program. The program requires participating pharmaceutical companies to sell covered outpatient drugs at a discount to eligible health care organizations. To be eligible, hospitals must serve a disproportionate share of uninsured and low-income patients. This program gives patients better access to drugs they need and helps hospitals enhance care capabilities by stretching scarce federal resources.

Small Program, Big Benefits

2%
Portion of the United States’ $374 billion in annual drug purchases made through the 340B program

$3.8 BILLION
Total annual savings for 340B eligible providers

340B creates valuable savings on outpatient drug expenditures to reinvest in patient care and health activities to benefit the communities they serve. It also saves money for state and federal governments.

62%
Percentage of all uncompensated care provided by 340B hospitals

340B increases access to care for our most vulnerable populations - participating hospitals provided $28.6 billion in uncompensated care in 2013.

Who Are 340B Hospitals?

About half are urban; half are rural.
929 (43.4%) are critical access hospitals (CAHs).
Located in 1,529 or 47% of all US counties.

340B Hospitals Meet Rigorous Requirements

340B ELIGIBILITY
Hospitals must:

- Be designated as a not-for-profit hospital.
- Be classified as a Children’s Hospital, Cancer Hospital, Sole Community Hospital, Rural Referral Center, Critical Access Hospital or a Medicare Disproportionate Share Hospital.
- Serve a large proportion of uninsured and low-income patients.
- Undergo random audits by the federal government and pharmaceutical manufacturers.
- Recertify annually as an eligible 340B provider.

PREVENT THE 340B PROGRAM; PROTECT THE SAFETY NET
SOURCES: HEALTH RESOURCES AND SERVICES ADMINISTRATION; IMS HEALTH; 2013 AMERICAN HOSPITAL ASSOCIATION ANNUAL SURVEY DATA; APEXUS