340B: A Program to Help Low-Income Patients

Community Health Centers Provide Prescriptions at a Discount through 340B Pricing Program

Through the 340B discount program, “covered entities” are able to provide their patients with prescriptions at reduced prices, while also strengthening the investment in primary care to over 1.8 million Floridians at Community Health Centers across the state.

Community Health Centers serve a large number of uninsured patients and, as a “covered entity”, drug manufacturers must provide discounts for their patients’ medications purchased through the 340B program. This program allows Community Health Centers to pass along substantial savings to patients, expand access to care for many Floridians, and provide quality health care services in locations across the state.

Problematic PBMs

How Middlemen are Redirecting Resources from Your Local Community Health Center and Constituents

Pharmacy Benefit Managers (PBMs) act as middlemen between providers and their patients. While the original intent of PBMs was to act as a simple administrator to negotiate discounts for health insurers, these intermediaries have grown into massive corporations that target revenue maximization rather than patient outcomes.

PBMs are offering contracts that would carve out significant portions of 340B savings away from the patients and toward their bottom line.

Where The Money Goes

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Patients need access to affordable care, and there are three ways Florida lawmakers can address this growing issue:

1. Prohibit One-Sided Contracts
   Pharmacy Benefit Managers push one-sided contracts on Community Health Centers to keep the 340B benefits for themselves. Right now, many of these contracts being offered carve out 340B prescriptions for reimbursement at rates lower than those offered for non-340B prescriptions. This may result in a Community Health Center patient paying more for a drug than the 340B program intended.

2. Develop a 340B Managed Care Methodology
   The Agency for Health Care Administration (AHCA) has an opportunity to enhance transparency and secure 340B savings for Community Health Centers through the development of a methodology for tracking 340B scripts through the managed care environment.

3. Strengthen Patient Continuity
   Vulnerable patients realize better health outcomes when they can work with quality providers who are able to recommend the drugs and treatments they believe will produce the best possible outcomes. By creating opportunities for Community Health Centers in specialty pharmacy networks, Floridians will experience a greater continuity of care, better outcomes for medication maintenance, and improved processes for patients who often require life-sustaining medications.

Quick Facts About the 340B Program

- All Community Health Center patients are eligible to receive discounted drugs through 340B, regardless of their income.
- Covered entities, such as Community Health Centers, serve a large number of uninsured patients and utilize 340B savings to offset uncompensated care, while expanding access to all patients.
- With the savings generated through 340B, Community Health Centers are able to expand access to more patients and provide critical services.