



## **The 340B Pharmaceutical Access To Invest in Essential, Needed Treatments & Support (PATIENTS) Act**

### **BACKGROUND:**

Since 1992, the 340B Drug Pricing Program has helped safety-net providers like rural community hospitals, critical access hospitals, and community health centers purchase outpatient prescription drugs at reduced prices from drug manufacturers at no cost to the taxpayer. Savings from the 340B program help providers expand critical services such as mental health care, substance-use disorder treatments, and emergency services, to support the most vulnerable patients in their community without the need for additional federal funding.

In 2020, some drug companies began announcing restrictions on the 340B program by putting limits on the number of pharmacies 340B providers can use to dispense the medications to patients. In rural states, where access to pharmacies is limited, these restrictions have impacted the benefit of the 340B program to providers and in turn the patients they serve. At a time when rural health care systems across America are facing affordability and sustainability issues, it is critically important that Congress protect the 340B program and ensure that patients, especially in rural communities, can continue to be served by this program.

### **LEGISLATION:**

The *340B PATIENTS Act* clarifies the 340B statute to ensure that 340B providers can use contract pharmacies to dispense prescriptions. Specifically, the bill would:

1. Clarify that manufacturers are required to offer 340B discount prices to covered entities regardless of the manner or location in which a drug is dispensed, including if a covered entity uses a contract pharmacy to dispense 340B drugs to the entity's patients.
2. Ensure that manufacturers cannot place conditions on the ability of a covered entity to purchase and use 340B drugs, regardless of the manner or location in which the drug is dispensed, including through contract pharmacies.
3. Impose civil monetary penalties on manufacturers that violate these statutory requirements and prohibition.

**Senate Sponsor:** Senator Peter Welch (D-Vt.)

**House Sponsor:** Representative Doris Matsui (D-CA-07)

### **ENDORING ORGANIZATIONS:**

The *340B PATIENTS Act* is endorsed by 340B Health, Advocates for Community Health, AIDS Healthcare Foundation, America's Essential Hospitals (AEH), American Hospital Association (AHA), American Society of Health-System Pharmacists (ASHP), Association of American Medical Colleges (AAMC), Bi-State Primary Care Association, Catholic Health Association of the United States, Children's Hospital Association (CHA),



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Community Health Centers of Burlington, National Rural Health Association (NRHA), Ryan White Clinics for 340B Access, and the Vermont Association for Hospitals and Health Systems (VAHHS).