

# For-Profit Pharmacies Make Billions Off 340B Program Without Clear Benefit to Patients

A recent Berkeley Research Group analysis explored the staggering side effects of contract pharmacy expansion on the 340B program over the past 10 years. The misguided guidance that allowed 340B entities to contract with an unlimited number of for-profit retail pharmacies ultimately allowed for-profit vendors, pharmacies and pharmacy benefit managers to exploit the program.

**\$13 Billion**

generated in estimated gross profits for 340B covered entities and their contract pharmacies from 340B purchased medicines in 2018.

**>5,000%**

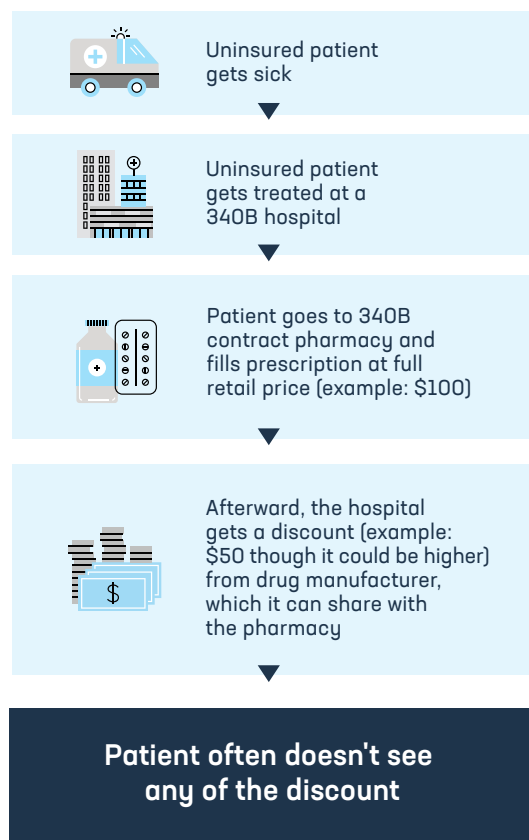
growth in contract pharmacy arrangements since 2010.

**>50%**

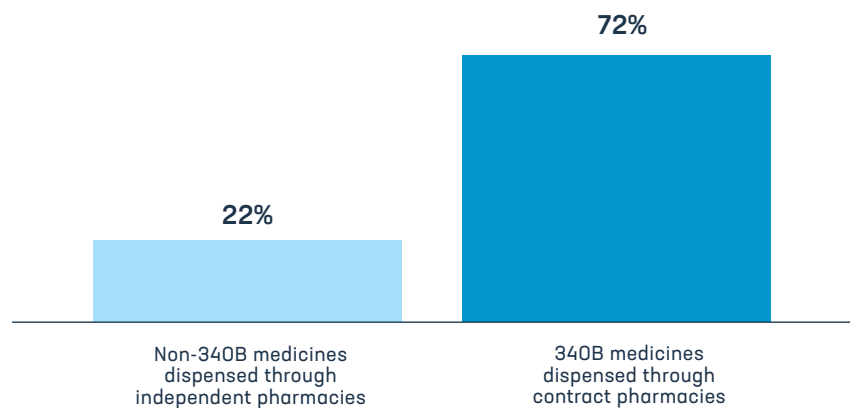
of 340B profits generated by contract pharmacies are retained by four for-profit corporations.



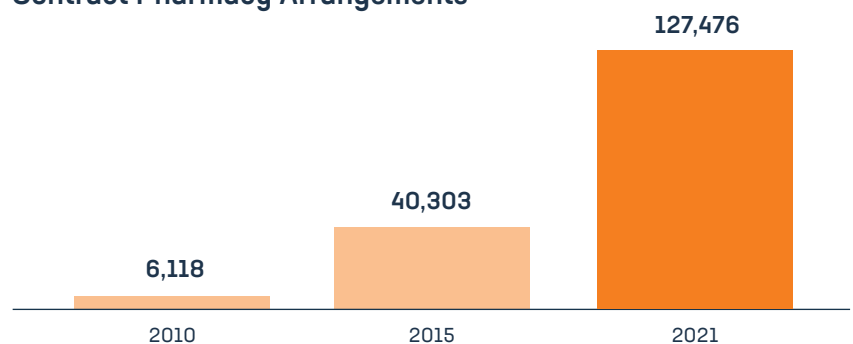
## Here's an example of how it works:



## Average Profit Margin



## Contract Pharmacy Arrangements



Berkeley Research Group, "For-Profit Pharmacy Participation in the 340B Program," October 2020.  
Berkeley Research Group analysis of Health Resources and Services Administration Office of Pharmacy Affairs registrations, January 2022.

Reforms are needed to ensure the program reaches the vulnerable and uninsured patients it was intended to help.

Learn more at [PhRMA.org/340B](https://PhRMA.org/340B)

