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# **ARGUMENT**

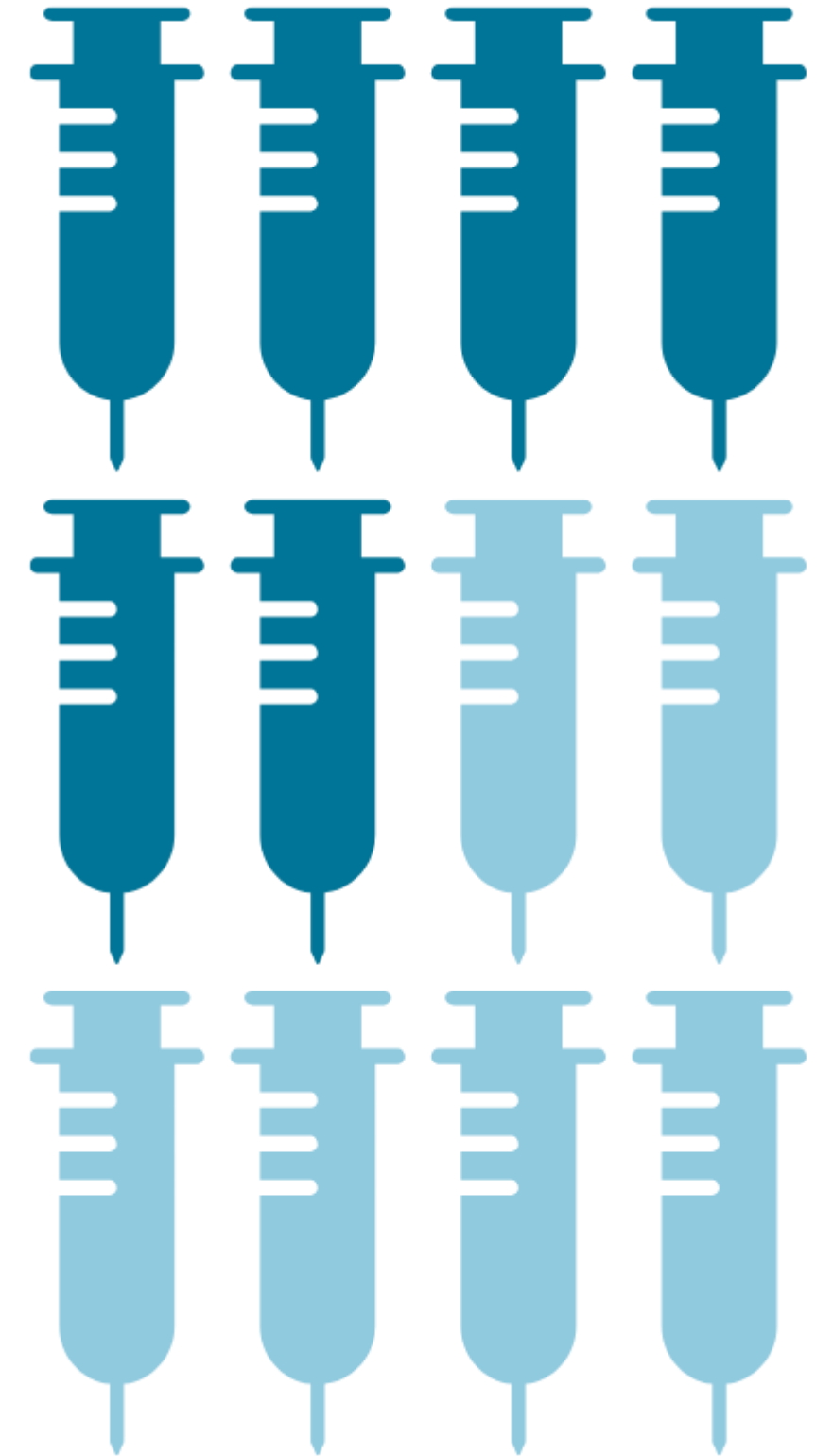
340B providers should not contract with pharmacies outside of Oregon.

# **FACTS**

- Health insurers and PBMs limit where patients can have prescriptions filled
- These restrictions often require using out-of-state pharmacies, particularly for specialty and mail-order drugs.
- For example, many specialty drugs are only available at a handful of pharmacies nationwide, so 340B providers must contract with those pharmacies.

## ARGUMENT

The 340B program has grown “exponentially”.



# FACTS

The growth numbers are not as simple as PhRMA suggests. For example:

- The Affordable Care Act made additional provider types eligible to participate as covered entities in the 340B program. This change expanded the number of patients and hence prescriptions that became 340B eligible.
- In 2024, a provision in the American Rescue Plan caused PhRMA to change their sticker prices for many insulins and other drugs in a manner that caused their 340B prices to increase by a factor of 5,000 to 20,000. For FQHCs and others, this accounts for much of the increase in spending that year.

## **ARGUMENT**

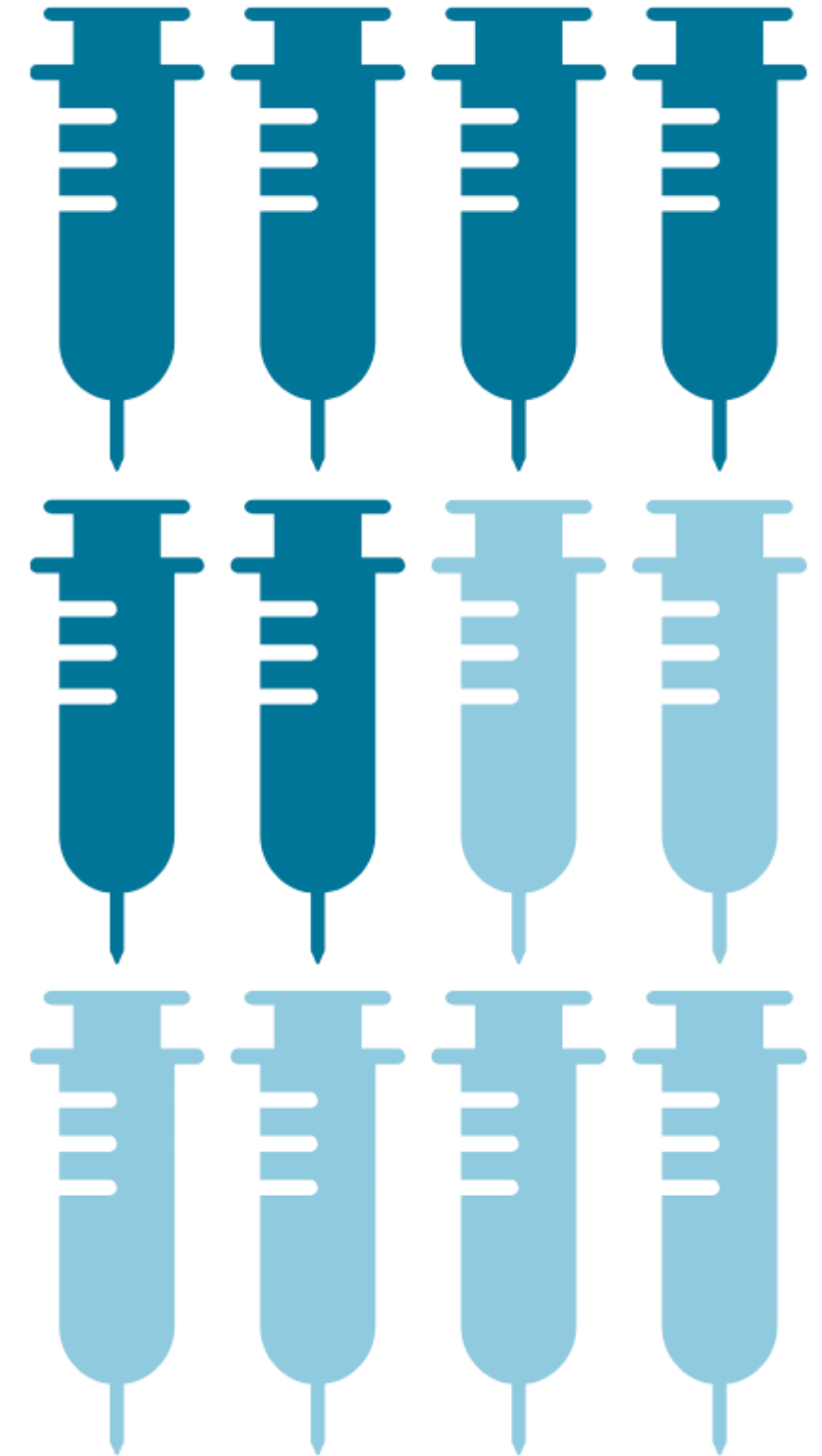
Passing this law will lead to a major expansion of the 340B program in Oregon.

## **FACTS**

- This law would not lead to an expansion. Rather, it would reinstate a longstanding policy that manufacturers agreed to when the law passed in 1992 and then chose to start violating in the summer of 2020.
- This law would simply reinstate the status quo as of June 2020.

# ARGUMENT

Patients do not benefit from 340B savings



# FACTS

- FQHCs are required -- by law and by regulation – to ensure that every penny of 340B savings are used to support activities that expand access to care for underserved populations.
- The 340B program was designed to directly support providers that serve large numbers of vulnerable patients. Those patients benefit from 340B indirectly, based upon what the provider considers the most effective way to expand access.
- Providers can expand access to vulnerable populations in many ways beyond discounted care to individual patients. For example, 340B savings can be used to purchase a mobile health van, or to run free immunization clinics.

# **ARGUMENT**

State proposals to modify the federal 340 program are unconstitutional.

# **FACTS**

- Eight states currently have laws banning contract pharmacy restrictions, and several more are close to passing one this year.
- While PhRMA and individual manufacturers have sued to block these laws, they have been upheld in every case except one, where it is temporarily on hold.
- When asked, the Supreme Court declined to reconsider an Appeals Court decision upholding the Arkansas law, which was the first of this kind.