OurHealthEquity.org

Senator,

As the advisor and director of Our Health Equity, I write to you in opposition to SB533. Our Health Equity is a non-profit organization committed to improving access to medicine, reforming the charity healthcare system, and ensuring that each person has access to proper nutrition and clean drinking water.

Oregon has an opportunity to improve health equity, but SB533 does not address the areas that need it most. While the bill aims to protect 340B covered entities from exploitation and obstacles created by drug manufacturers, the true beneficiaries of this reform are not the underserved patients it is intended to help, but rather the covered entities themselves.

The 340B program was designed to help eligible safety-net providers generate funds to better serve low-income and uninsured patients. However, minimal oversight and transparency requirements allow for covered entities and contract pharmacies to make a profit without reinvesting in charity care in high-need communities. SB533 will only expand the access these covered entities have to discount drugs, with nothing to ensure those discounts are passed down to patients.

Instead of expanding this failing system, Oregon should prioritize reforms that put patients over profits.

This means:

- Requiring 340B "covered entities" to provide detailed financial statements to the State Auditor delineating the dollars received through the 340B program and where those dollars were spent.
- Clearly define what a 340B-eligible patient is in the State of Oregon—e.g., a patient at or below 200% of the federal poverty level.
- Require that covered entities funnel 340B dollars to eligible patients and demonstrate publicly that it happens and precisely how.

Without implementing these guidelines, the 340B program will continue to profit from the communities it is designed to serve, forcing patients to pay high prices for care while covered entities and contract pharmacies benefit from 340B discounts. There is a unique opportunity to reform the 340B program, but HB533 focuses on increasing protection for covered entities instead of making meaningful changes for patients.

I urge you to pursue significant changes in the organization and oversight of the 340B program to ensure it serves high-need communities. It's time to rethink HB533 and shift our focus to the best interest of Oregon's patients.

Thank you,

Laura Brod Hameed, Advisor/Director

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Our Health Equity: Issue Guide

To: State Policymakers
From: OurHealthEquity.org
Date: November 22, 2024
Re: Our Health Equity

The Problem:

Urban, rural, and economically disadvantaged Americans are being shortchanged when it comes to healthcare and healthy living as compared with others.

THE ISSUES

Access to Medicines

At-risk communities need access to lifesaving and life-extending drugs and vaccines. The 340B program can be at the core of a health equity agenda, provided money reaches the patients and clinics that are serving the communities most at risk. 340B must be fixed and reimagined to support patients, not big box pharmacy executives and hospital systems.

Charity Healthcare

Charity care can be a force for good if providers simply adhere to their charters. They need to reinvest in hospitals in urban centers, not build facilities in affluent communities. The rally cry should be more clinics and care in at-risk neighborhoods– not new bells and whistles to compete with private hospitals in upscale neighborhoods.

Nutrition & Clean Drinking Water

Food and water connect to every aspect of life. Access to safe, nutritional foods and clean water is inextricably linked to the ability to rise out of poverty and to participate in a growth economy. Access to adequate nutritional food and clean water allows people to be productive members of society and contributes to improved health for children and families worldwide.

Learn more and sign up for updates at
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How to Talk about Access to Medicines:

People talk about 340B as if it is an entitlement program, but it operates unlike one. 340B profits accrued by providers should be treated as an entitlement for people needing help to pay for their medicines. The current profits-over-patients paradigm—in which funds accrue to health systems and massive pharmacy chains—must be exposed.

How to Talk about Charity Care:

Currently, health system revenues often are used to chase profits in affluent neighborhoods. Dollars should flow to where charity care programs' target patient populations reside. For example, 340B should be recast as a direct uninsured patient care program delivered in a medical setting. Again, the profits-over-patients paradigm must be exposed.

How to Talk about Nutrition & Clean Drinking Water:

The ability to access adequate, nutritional food and to access clean drinking water are the right of every American. We must leverage infrastructure dollars to treat our water systems with technologies that work. When it comes to food, we must work to drive affordable, healthy foods into urban centers and end the nutrition gap.

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340B Case Study: Richmond Community Hospital

How is Bon Secours supporting the underserved patients that the program was designed to help at Richmond Community Hospital?

Let's take a look...

Richmond Community Hospital

Serves Richmond's largest Black population, lacks basic resources and reliable equipment. Despite these struggles, the nonprofit hospital, owned by Bon Secours, has the highest profit margins of any hospital in Virginia.

340B In Action

Richmond Community Hospital can purchase a cancer drug for $3,444 and bill insurance $25,425, generating a $22,000 profit per vial. The program clearly creates substantial revenue for the hospital, as intended. Yet, 340B hospitals such as Richmond Community Hospital are not expanding their resources to regions that need it most.

Join our campaign at

OurHealthEquity.org

[1]https://www.vhi.org/Bon%20Secours%20Richmond%20Community%20Hospital.html?tab=&?=h9880/
[2]https://storymaps.arcgis.com/stories/e51284979e494f228df0d46198aace40
[3]https://paddockpost.com/2024/10/03/executive-compensation-at-bon-secours-mercy-health-2022/
[4]https://bsmhealth.org/leadership/john-starcher/
[5]https://projects.propublica.org/nonprofits/organizations/540647482
https://www-nytimes-com.cdn.ampproject.org/c/s/www.nytimes.com/2022/09/24/health/how-a-hospital-chain-used-a-poor-neighborhood-to-turn-huge-profits.amp.html

How does the 340B program work?

The 340B program allows hospitals in underserved areas to buy discounted drugs and bill insurance at full price. The program was designed to help low-income patients afford their medicines and provide access to charity care. However, large hospital chains exploit lenient transparency and reporting rules by opening clinics in wealthier areas, treating insured patients, and linking them to underserved hospitals on paper.

$42,671,373

in net revenue in 2017 at Richmond Community Hospital after Bon Secours closed its ICU and key specialists left. This turned Community Hospital into a glorified emergency room.[1]

At least 4 cases of patients not receiving proper care due to a shuttered ICU at Richmond Community Hospital between 2017 and 2021.

2 resulted in death

1 resulted in life-long cardiac issues

1 resulted in an amputation

More Than Half

the households in the neighborhoods surrounding Richmond Community Hospital do not have a car, according to research[2] done by Virginia Commonwealth University. Public bus routes to Saint Mary's, where patients can receive specialized care, take more than an hour.

$4.75 million

The average annual amount spent on improvements to Richmond Community Hospital and the surrounding community from 2018-2022, according to Bon Secours.

$11,580,768[3]

2022 take-home pay of John M. Starcher Jr.[4], CEO of Bon Secours Mercy Health.

98.5%

of Richmond Community's revenue comes from program services, yet Dr. Lucas English, a former emergency department worker, claims Bon Secours was essentially laundering money from the poor hospital to its wealthier locations for profit. At the chain's St. Francis Medical Center, just 18 miles away, golf carts transport patients past marble fountains in a luxurious suburban setting.[5]