

Submitter: Denice Searcy
On Behalf Of:
Committee: Senate Committee On Health Care
Measure, Appointment or Topic: HB2385
NO on HB 2385 A

I am a retired Great-grandparent that is on Medicare. As such, my drug plan does not cover the drugs that are most needed. I live on less than \$2,000 per month. The consumer is not receiving the discounts for pharmaceuticals provided by the Federal 340B program. Lower income and uninsured patients will not benefit from the passage of this bill. Smaller critical access hospitals/medical facilities will not be able to pass along savings for discounted medications, while larger medical corporations and their hospitals which are contracted in the 340B program will profit. Another bill that gives special treatment to "big health care" corporations. There is no transparency at the Federal level which allows them to profit and not pass along the savings to the consumer. Health care has one of the largest increases in costs. Just because entities need the funds to be able to survive, doesn't mean that there isn't a need for transparency and accountability.

THE OPPOSITION POINTS OUT THE BILL LACKS IN MEETING IT'S INTENT:
Despite the program's intent to serve medically underserved areas, only 35% of 340B hospitals and 23% of 340B contract pharmacies are actually located in these communities. Meanwhile, profit margins for 340B contract pharmacies are 3.3 times higher than those of independent pharmacies dispensing non-340B drugs, and medicine price markups at 340B hospitals are 6.6 times higher than at independent clinics.¹ The lack of oversight and transparency has allowed these abuses to persist, straying far from the program's original mission of improving access to affordable medications for those who need them most.

It is crucial that the 340B program is reformed to fulfill its original purpose: improving access to affordable medications for underserved communities. Any legislative action surrounding the 340B program should prioritize transparency, accountability, and equity. This includes ensuring that the savings from the program directly benefit patients, encouraging the expansion of services in rural and underserved areas, and requiring 340B entities to demonstrate how their revenues are reinvested into the communities they serve. Expanding the program without addressing its current shortcomings risks further harm to patients and local providers and perpetuates inefficiencies in the healthcare system.

Please vote NO on this bill. Thank you.