



340B Drug Pricing Program for the Uninsured and Under-Insured Is Threatened – Community Health Centers Raise Concern

A Joint Statement from Eight Wisconsin Community Health Center Leaders

Since March, Community Health Centers have been confronting the COVID-19 pandemic and finding new ways to meet the needs of patients across Wisconsin. Our Community Health Centers are prepared to meet this pandemic that jeopardizes the safety of our communities, but never anticipated that amidst this international emergency, a new threat would emerge.

In the last two months, we have become deeply concerned with the actions by some drug manufacturers threatening the 340B drug discount program, especially during the pandemic. Since September 1, several manufacturers have halted delivery of medications to 340B provider contract pharmacies, or restricted the use of contract pharmacies, disrupting patient access to medications. Health Center patients rely on these contract pharmacies. Without them, patients cannot access their medications at their neighborhood pharmacies, and providers must find viable alternatives for their already vulnerable Health Center patients. This is just one of multiple attacks this fall against the 340B program.

We share the same concerns across Wisconsin: According to Reba Rice, CEO at NorthLakes Community Clinic, “We have patients without insurance that rely on our 340B program drugs to make their medication affordable. For example, our vulnerable patients on insulin that use a contract pharmacy and with 340B pricing on insulin can get a box for \$18.15. Now that the insulin manufacturer is no longer allowing 340B pricing at contract pharmacies, this patient will be paying \$490.65 for the same insulin. This is an increase of over 2,600%!”

Another example: In 2018, Progressive Community Health Centers’ clinical pharmacist began seeing a 78-year old Medicare patient who did not qualify for any additional prescription assistance. He had uncontrolled diabetes that was not properly managed because he could not afford the \$450 copay for a three-month supply. At the time Progressive had not yet begun contracting with any 340B pharmacies, so a less effective generic alternative was prescribed. The cost was still high, at \$70 per month. Once Progressive launched the 340B program this patient was able to get his preferred insulin prescription filled for \$15 per month. The clinical pharmacist was also able to prescribe an additional drug, which helps better manage comorbidities associated with diabetes and heart disease. Thanks to the 340B program, the cost of this second medication to the patient was reduced from \$100 per month to \$18 per month. At his most recent visit this fall, the patient’s A1c had dropped to within the normal range for the first time in two years. Both the patient and the clinical pharmacist acknowledge that this progress would not have been possible without access to the 340B program.

Since its inception in 1992, the 340B program has fostered a close partnership between covered entities, like Health Centers, and drug manufacturers, allowing Community Health Centers to access discounts that we would not be able to negotiate otherwise. This program makes it possible for Community Health Centers to provide uninsured and under-insured patients with affordable medications, and Community Health Centers reinvest every penny of these discounts back into patient care.



Sixteenth Street Community Health Center has used the 340B program to develop much-needed services that patients would otherwise not have access to, such as a clinical pharmacy program and medication specialist services which assist patients in understanding their medications and taking them safely. Without the 340B program, patients would lose access to these critical services.

The 340B program has been enormously successful at providing access to prescription drugs and care for patients who are uninsured and under-insured.

Now, at a time when Health Centers continue to serve on the front-line against the COVID-19 pandemic and economic crisis, is the worst possible time to dismantle a program that makes crucial medications affordable and accessible to those who need them. The assaults on this program pose imminent risks to the health of Wisconsin residents who rely on affordable, accessible medications to manage chronic conditions such as diabetes or high blood pressure.

The 340B program, which has enjoyed long-standing bipartisan support, is critical to helping Health Centers bridge the gap for our most under-served patients to access the medications they need. In collaboration with our partners across the state and nation, we are calling on drug manufacturers engaged in this assault on the 340B program to reverse course on recent actions and continue to collaborate with Health Centers through the 340B program. We are also requesting that the Health and Human Services Department take immediate action by enforcing the 340B statute and stop drug manufacturers from dismantling the program. Our National Association of Community Health Centers recently engaged in legal action to protect the program, urging HHS to enforce critical protections for Health Centers.

Patients need access to affordable, life-saving medications *today* – they cannot wait months for this issue to be resolved. The uncertainty Health Centers face during this pandemic is already a challenge, and the actions by drug manufacturers will, and already are, impacting patients. We thank lawmakers for their support for Health Centers and the critical 340B program, and urgently ask federal officials to protect access to affordable medications.

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