



Dear New York Legislator,

On behalf of 25+ patient and provider advocacy organizations, we write to express our strong opposition to the proposed expansion of the 340B Drug Pricing Program within S. 1913. While originally designed to help safety-net providers serve vulnerable populations, the 340B program has instead become a massive profit engine for hospitals and middlemen—with little evidence that it benefits the low-income patients it was meant to help.

A [New York Times](#) investigation exposed how hospitals are exploiting 340B to charge patients exorbitant prices for discounted drugs, pocketing the difference instead of reinvesting in charity care. In one case, a cancer patient was charged \$22,700 for a drug that cost the hospital just \$2,700—and was then sent to collections for an additional \$2,500. This is not an isolated incident; it is part of a broader pattern of abuse that has driven up costs for patients, employers, and taxpayers while leaving many of the most vulnerable behind.

Despite hospitals' claims that 340B helps underserved communities, the reality in New York tells a different story:

- 86% of New York's 340B hospitals provide charity care at levels below the national average.
- New York's 340B hospitals generate 2.8 times more revenue from the program than they spend on charity care.
- Only 24% of 340B contract pharmacies in New York are located in medically underserved areas—meaning most of the benefits go to wealthier neighborhoods.

As [The New York Times](#) reported, New York's Medicaid system was forced to change how it administers drug benefits because the cost of 340B ballooned by more than 200% in just three years. State Medicaid Director Amir Bassiri called the growth "staggering" and made clear that everyone is paying the price for a program that lacks transparency and oversight. Expanding 340B without first addressing these systemic failures will only deepen inequities, further drive up costs, and divert critical healthcare dollars away from the communities that need them most.

Rather than expanding a broken system, New York legislators should demand transparency, accountability, and real benefits for low-income patients. Policymakers must ensure that hospitals disclose how they reinvest 340B savings, that program discounts directly lower costs for uninsured patients, and that expansion is focused on truly underserved areas. Without these reforms, 340B will continue to enrich large hospital systems at the expense of vulnerable New Yorkers.

We urge you to oppose 340B expansion until real reforms are in place to ensure the program truly serves the patients it was created to help.

Sincerely,

AiArthritis  
 American Association of Clinical Urologists, Inc.  
 Biomarker Collaborative  
 BlackDoctor.org  
 Cancer Care  
 Coalition of Hematology & Oncology Practices  
 Coalition of State Rheumatology Organizations  
 Community Liver Alliance  
 Exon20 Group  
 Fibromyalgia Task Force of New York State  
 Global Healthy Living Foundation  
 H.E.A.L.S. of the South  
 Hematology-Oncology Associates of CNY  
 Hispanic Business Alliance  
 Hispanic Health Network

Hispanic/LatinX Health Leadership Network  
 International Cancer Advocacy Network (ICAN)  
 Latino Commission on AIDS  
 LifeSciencesNY  
 Living Hope for Mental Health  
 LUGPA (Large Urology Group Practice Association)  
 Lupus and Allied Diseases Association, Inc.  
 MANA, A National Latina Organization  
 MET Crusaders  
 Multiple Sclerosis Resources of Central New York, Inc.  
 National Consumers League  
 NY Statewide Peer Network  
 PDL1 Amplifieds  
 Tigerlily Foundation