

# 340B Program: A Patient Safety Net in Desperate Need of Federal Reform



The 340B Drug Pricing Program was designed to help low-income and uninsured patients access their medications and care. Unfortunately, some hospitals, the pharmacies they contract with, and pharmacy benefit managers (PBMs) are exploiting the program for profit at the expense of patients.

## By the Numbers: The Explosive Growth of the 340B Program

Hospitals are a critical component of patient care delivery, but the evidence shows some hospitals and healthcare middlemen have manipulated the 340B program into a massive profit-generating scheme while also pursuing aggressive, unethical debt collection tactics against patients.<sup>1</sup>



Medicine price markups are **6.6 times higher** at 340B hospitals than independent clinics.<sup>2</sup>



Only **\$1** is invested in charity care for every \$10 in profit collected by 340B hospitals.<sup>3</sup>



There is little evidence of patients benefiting despite 340B purchases totaling **\$66.3 billion** in 2023<sup>4</sup> and a **4,000% increase** in contract pharmacy arrangements since 2010.<sup>5</sup>

## Americans Agree: 340B Should Benefit Patients, Not Hospitals & Middlemen

A Morning Consult national poll found that a majority of Americans support patient-centered reform of the 340B Drug Pricing Program.<sup>6</sup>



**Concerns Over Hospital Debt Collection:** More than half of surveyed adults have or previously had medical debt, and 76% expressed concern that hospitals benefiting from 340B drug discounts often pursue aggressive debt collection practices against patients.



**Support for Passing Savings to Patients:** 77% of surveyed adults believe that hospitals should be required to pass 340B savings directly on to patients.



**Federal Reform is Needed:** 79% of surveyed adults say reform of the 340B program should be a top priority for lawmakers.

# 340B Program: A Patient Safety Net in Desperate Need of Federal Reform



## A Message From Our CEO

“340B has veered wildly off course to the detriment of patients. Today, the program has morphed into a financial bonanza for “non-profit” hospitals and the nation’s biggest chain retail pharmacies while patients in desperate financial need don’t get the benefits of 340B drug discounts... Congress must act now to restore 340B to its original mission—ensuring it helps the low-income and vulnerable patients it was designed to serve.”



– Sally Greenberg, CEO, National Consumers League (NCL)

## Congress: Reform the 340B Program to Protect Patients



Congress must take action and advance patient-centered reforms to bring more transparency, oversight, and accountability to the 340B Drug Pricing Program to ensure it serves uninsured or low-income patients, not profits.

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Learn more about the need for 340B reform:



<sup>1</sup> Moregson, Gretchen. “Making peoples' lives hell’: When he couldn't pay for cancer treatment, the hospital sued.” September 14, 2024.  
<sup>2</sup> New England Journal of Medicine. “Hospital Prices for Physician-Administered Drugs for Patients with Private Insurance.” January 24, 2024.  
<sup>3</sup> Masia, Neal. “340B - Hospitals and Charity Care 2023.” 2023.  
<sup>4</sup> Health Resources and Services Administration (HRSA). “2023 340B Covered Entity Purchases.” October 2024.  
<sup>5</sup> Pioneer Institute. “340B Drug Discounts: An Increasingly Dysfunctional Program.” March 22, 2022  
<sup>6</sup> National Consumers League. “Medical Debt and 340B Survey.” May 2025.