



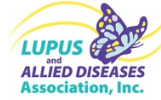
American Senior Alliance®



Biomarker Collaborative



COALITION OF HEMATOLOGY AND ONCOLOGY PRACTICES



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Dear Oklahoma Legislator:

Studies show that [Oklahoma's health care system ranks dead last](#) out of the 50 U.S. states with more than 20% of Oklahomans uninsured, the [second-highest percentage](#) in the country. Healthcare access and expenses are a major source of stress for many Oklahomans with [more than 21% of Oklahomans living with medical debt](#). Our organizations represent patients, healthcare providers, and other key parts of the healthcare ecosystem that should work solely to meet the needs of the patients it serves. We've collectively worked together throughout the years to improve access to affordable, innovative treatments and serve as a voice for the local community – including coming together to lower out-of-pocket costs for Sooners by sharing the significant rebates and discounts insurers and PBMs receive with patients at the pharmacy counter.

We are concerned about Senate Bill 1628 and House Bill 3379 regarding the federal 340B Drug Pricing Program. A growing body of evidence reveals the 340B Program is not helping patients the way policymakers originally intended, and the program is [currently under a federal investigation](#).

- **The 340B Program is not benefitting patients.** A recent investigative piece by the New York Times, [Profits Over Patients: How a Hospital Chain Used a Poor Neighborhood to Turn Huge Profits](#), explores the federal 340B Program and how it's hurting access to healthcare by eliminating basic medical services, especially in poor and underserved areas, which is the exact opposite of the program's original intention to help in-need communities get the services they need. The [Richmond Times Dispatch](#) did a follow-up article with legislators working on solutions to add additional oversight of federal programs and ensure not-for-profits are meeting commitments to the communities they serve.
- **Senate Bill 1628 and House Bill 3379 expand the 340B Program, increasing profits for entities and for-profit contract pharmacies without improving access for vulnerable patients.** The 340B Program requires comprehensive federal reform to ensure its meeting the needs of the patients it was designed to serve. Instead, Senate Bill 1628 and House Bill 3379 would expand the 340B Program and exacerbate its shortcomings. 340B expansion would make it easier for program entities and pharmacy benefit managers to reap unchecked profits provided to them by 340B drug discounts. Research has found that 340B entities and their contract pharmacies generate a [72% profit margin on 340B medicines compared to a 22% profit margin](#) on non-340B medicines dispensed through independent pharmacies. In Oklahoma alone there are more than 1,600 contract pharmacies — that's more than the entire U.S. a little more than a decade ago. Nearly half of those pharmacies aren't even located in the state. Despite these profit margins, studies show that [patients pay 150% more for their prescriptions at 340B entities](#) than at non-340B entities.
- **340B expansion harms rural hospitals.** Expanding the 340B Program before correcting its shortcomings with comprehensive reform puts local, rural hospitals at a disadvantage. Studies show that the program is [driving consolidation](#) of smaller healthcare providers into larger healthcare entities. In its current form, 340B's loose program entity requirements result in more than half of the top 20 companies on the Fortune 500 list generating profit from the program. As these entities continue making [billions of dollars](#), the 340B Program as it stands today will continue making it harder for smaller and less profitable rural hospitals in the state to struggle to keep up.

We appreciate all your work to improve healthcare access and address our state's health equity concerns, and we look forward to continuing to work together in these efforts. **Unfortunately, Senate Bill 1628 and House Bill 3379 are premature. We cannot expand the federal 340B program until we can be sure the program works as originally intended – to improve access and health equity in Oklahoma.**

We urge you to ensure patient access to a full range of therapeutic options by supporting House Bill 3368 that would curb harmful practices, like Alternative Funding Programs, and supporting House Bill 2853 to directly lower out-of-pocket costs for patients, like sharing the significant discounts and rebates insurers and PBMs pocket as profit with patients at the point-of-sale.

Thank you,

AiArthritis  
American Senior Alliance  
Biomarker Collaborative  
Coalition of Hematology & Oncology Practices  
Coalition of State Rheumatology Organizations  
Community Access National Network (CANN)  
Derma Care Access Network  
Exon 20 Group

HEALS of the South  
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ICAN - International Cancer Advocacy Network  
Lupus and Allied Diseases Association, Inc.  
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