



Dear Missouri Legislator:

Healthcare access and expenses are a major source of stress with [more than 60% of adults in Missouri currently experiencing healthcare affordability burdens](#). Studies show that [more than 30% of Missourians have incomes below 200% of the federal poverty level](#). 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.

We're reaching out to share our concerns about Senate Bill 751 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 was created to help vulnerable patients, but today the 340B program fails to support the community the program was designed to serve.** Through the program, drug manufacturers provide [more than \\$90 billion in discounted product](#). Yet only [1% of patients received a discount on their 340B prescriptions](#) at contract pharmacies through the program. 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.
- **Expanding the 340B Program, as proposed in SB 751, increases profits for entities and for-profit contract pharmacies without improving access for vulnerable patients.** Without allowing comprehensive reform at the federal level, this bill would expand the 340B Program and exacerbate its shortcomings. Instead of benefitting patients, 340B expansion would make it easier for program entities and pharmacy benefit managers (PBMs) 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. Despite these profit margins, studies show that [patients pay 150% more for their prescriptions at 340B entities](#) than at non-340B entities. Today in Missouri, there are 3,014 contracts between Missouri 340B entities and pharmacies nationwide, and only 32% of contract pharmacies are in medically underserved areas.
- **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 patient access, and we look forward to continuing to work together in these efforts. **Unfortunately, 340B Program expansion is premature. Comprehensive federal reform is needed, and we cannot expand the federal 340B program until we can be sure it works as originally intended – to improve access for patients in Missouri.** We encourage you to instead pass healthcare reforms that will 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
 Derma Care Access Network
 Exon 20 Group

HEALS of the South
 Hispanic Business Alliance
 ICAN - International Cancer Advocacy Network
 Lupus and Allied Diseases Association, Inc.
 MET Crusaders
 Neuropathy Action Foundation
 PD-L1 Amplifieds