

Senate Health, Education, Labor, and Pensions  
Committee

Hearing on: “Effective Administration of the 340B  
Drug Pricing Program”

June 19, 2018

ASHP Statement



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ASHP (American Society of Health-System Pharmacists) respectfully submits the following statement for the record to the Senate Health, Education, Labor, and Pensions Committee on the hearing “Effective Administration of the 340B Drug Pricing Program.”

ASHP represents pharmacists who serve as patient care providers in acute and ambulatory settings. The organization’s 45,000 members include pharmacists, student pharmacists, and pharmacy technicians. For more than 75 years, ASHP has been at the forefront of efforts to improve medication use and enhance patient safety.

ASHP appreciated the opportunity to testify at the March 18, 2018, hearing before the Committee to provide our views on the 340B Drug Pricing Program. ASHP has a longstanding history of support for the federal 340B , as many of our members serve as patient care providers in hospitals and health systems that are 340B-eligible and have seen, firsthand, the benefits of the program to the patients they serve.<sup>1</sup> At a time when

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<sup>1</sup> ASHP’s full policy on the sustainability of the 340B Drug Pricing Program is as follows: (1) To affirm the intent of the federal drug pricing program (the “340B program”) to stretch scarce federal resources as far as possible, reaching more eligible patients and providing more comprehensive services; (2) further, to advocate legislation or regulation that would optimize access to the 340B program in accordance with the intent of the program; (3) further, to advocate for clarification and simplification of the 340B program and any future federal discount drug pricing programs with respect to program definitions, eligibility, and compliance measures to ensure the integrity of the program; (4) further, to encourage pharmacy leaders to provide appropriate stewardship of the 340B program by documenting the expanded services and access created by the program; (5) further, to educate pharmacy leaders and health-system administrators about the internal partnerships and accountabilities and the patient-care benefits of program participation; (6) further, to educate health-system administrators, risk managers, and pharmacists about the resources (e.g., information technology) required to support 340B program compliance and documentation; (7) further, to encourage communication and education concerning expanded services and access provided by 340B participants to patients in fulfillment of its mission.

federal budgets are stretched thin, the 340B program helps maximize federal resources while providing access to lifesaving medications.

Today, the federal 340B program continues to meet Congress' original intent "of enabling these entities to stretch scarce federal resources as far as possible, reaching more eligible patients and providing more comprehensive services." Access to primary care, behavioral health services, pharmacist-led substance abuse treatment, expanded pharmacy services, provision of naloxone to law enforcement, discounted or free prescription medications, pediatrics, and other services for many uninsured and underinsured are made possible only by the savings realized through the 340B program. In some communities, without the financial savings garnered through the 340B program there would be limited or no access to healthcare services.

ASHP also recognizes the great importance of program compliance. The provision of healthcare has evolved considerably since the program was enacted over 25 years ago. As such, we are pleased that the Committee is holding this series of hearings to examine ways to improve the 340B program for the current environment. Should Congress determine that the Health Resources and Services Administration (HRSA) needs additional regulatory authority, ASHP recommends that this authority extend to the proper oversight of manufacturers to ensure that covered entities are being charged appropriately.

ASHP remains supportive of the 340B program; we believe it is a critical component for safety-net providers to provide care to uninsured and underinsured patients. Safety net providers are especially critical in our nation's rural areas, where access and ability to pay for care are often compromised. We remain committed to working with HRSA and other 340B program stakeholders to ensure that the requirements of the program are being met and that the program functions as intended.

As we have worked with the Committee in the past on a number of important public health issues, including drug shortages and compounding, ASHP welcomes the opportunity to be a resource for the Committee on this issue, as well as other issues pertaining to the practice of pharmacy or healthcare in general. Again, we thank the Committee for the opportunity to provide input.

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