

340B Advocacy Toolkit

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Encourage Staff to Sign Up to be a Community Health Center Advocate

Community Health Centers (CHC) are the backbone of our nation's primary health care system and critical to strengthening our communities. CHC staff can be a part of the movement to ensure comprehensive care and services to our neighbors by signing up to be an advocate to support the health center community today at www.hcadvocacy.org/join. We need your support in helping keep our doors open!

Sample Social Media Posts

Below you will find sample social media posts that you can customize for your health center. We recommend utilizing the graphics in your posts. (We have graphics available that you can use.) As a reminder, you should always **tag your members of Congress** [TAG MOCs] in your post so that they can see your messages. If you have questions, contact grassroots@nachc.org.

Social Media Graphics – <u>available here</u> 340B Advocacy Page - <u>https://www.hcadvocacy.org/protect-340b-advocacy/</u>

Sample Tweets and Facebook Messages:

Hashtags (NOTE: best practice on Twitter is to limit hashtags to no more than 3): #Protect340B #ValueCHCs

• Each day, patients go without vital medications because of the high cost of prescription drugs. The #340B program enables health centers to provide patients with the most effective medication at affordable prices. #340B savings are reinvested to increase access to affordable, comprehensive care for all patients. #Protect340B #ValueCHCs [TAG MOCs]



- Transparency and accountability are embedded in the health center program. Under our federal grant, health centers are required to provide care to all individuals, regardless of their ability to pay. The #340B program enables health centers to fulfill their mission by reinvesting savings back into patient care. #Protect340B #ValueCHCs
- Since 2020, drug manufacturers have refused to ship vital 340B medications to our contract pharmacies. Health centers and their 30 million patients deserve a #340Bprogram that is governed by HRSA and Congress, not drug manufacturers who make up the rules. [TAG MOCs] we need you to act now to #Protect340B!
- Community Health Centers are required to reinvest #340B savings into their community. #340B savings help build new centers, pay for patient transportation, hire more clinicians, fund innovative technology, engage with people experiencing homelessness, and care for uninsured patients. #Protect340B #ValueCHCs [TAG MOCs]
- Nearly 90% of health centers' 30 million patients are living at 200% or below the federal poverty level. Health center patients deserve access to affordable medical services and medications. [TAG MOCs] Without the #340B program, we cannot serve our community as safety-net providers. We need Congress to #Protect340B.

Additional Educational Resources and Templates

- NACHC 340B Report and Survey Findings
- CHCs & Contract Pharmacy Infographic
- 340B & Health Equity Infographic
- ASAP 340B Website

340B Talking Points

What is the 340B program?

- 1. The 340B Drug Pricing Program garnered bipartisan support in Congress and passed in 1992.
- 2. To have drugs reimbursed by Medicare and Medicaid, drug manufacturers must participate in the 340B program to provide discounts for their products to certain types of safety net providers, including Community Health Centers.
- 3. Through access to medications at a steep discount, the 340B program provides critical resources to safety-net providers at no cost to American taxpayers.
- 4. The program's purpose is to enable safety net providers "to stretch scarce Federal resources as far as possible, reaching more eligible patients and providing more comprehensive services."
- 5. When the 340B program was created, most eligible safety-net providers did not have in-house pharmacies. Legislative history demonstrates Congress anticipated the use of contract pharmacies to serve patients.

How does the 340B program support health centers:

1. By law and statute, health centers are required to invest *every penny* of 340B savings into activities that expand access for their patients.



- 2. Health centers abide by that promise by using 340B savings to expand non-revenue generating services like clinical pharmacy programs, community health workers, specialty care services, and extended hours of operation to better meet patient needs.
- **3.** The 340B program enables health centers to provide affordable discounted or free medications to uninsured or underinsured patients.

Alliance to Save America's 340B Program (ASAP 340B)

1. What is ASAP 340B?

NACHC launched a new coalition in partnership with PhRMA, and other 340B stakeholders, to develop legislative recommendations that support the true intent of the 340B program and address long-standing issues based on a lack of clarity in the statute.

2. Why did NACHC partner with PhRMA to create this group?

NACHC was looking for a willing partner to pursue 340B legislation and PhRMA recognizes the value of health centers in the 340B program.

- a. After nearly 3 years of contract pharmacy restrictions, health centers need permanent solutions to stabilize the 340B program.
- b. NACHC believes the path towards solutions requires us to work with all 340B stakeholders to stabilize the program and protect health centers and their patients.
- c. This partnership reflects the urgency for Congress to take control of the 340B program and save safety-net providers who depend on the program to keep their doors open.

3. What type of legislative proposal would NACHC support?

NACHC supports legislation that will open the 340B statute to create more accountability and transparency for all stakeholders in the 340B program, including manufacturers.

- a. Given competing interests in Congress, we believe successful legislation will modernize the *existing* 340B program by adding statutory clarity and granting HRSA the authority they need.
- b. To have successful legislation, we need bipartisan support that addresses all stakeholders' viewpoints and concerns around the 340B program.
- c. NACHC supports legislation that will provide immediate and permanent relief that addresses health centers' challenges in the 340B program.

4. Is ASAP 340B open to hospitals?

Yes. Health centers work in partnership with a wide variety of safety-net providers in the 340B program. NACHC and PhRMA started the conversation and hope more covered entities come to the table. We are open to meeting and working with safety-net hospitals committed to developing realistic solutions.

5. Should health centers support transparency?

Health centers have nothing to hide when it comes to how they participate in the 340B program. 90% of health center patients are 200% or below the federal poverty level, and health centers are required to serve all patients, regardless of their ability to pay.

6. What are the next steps on ASAP 340B's core principles?



NACHC and PhRMA developed the core principles to start the process of finding compromise and solutions that work for covered entities and manufacturers.

- a. The core principles acknowledge that bipartisan 340B legislation must take a balanced approach and address all aspects of the program.
- b. Congress appreciates our effort to have uncomfortable and long overdue conversations to create a middle ground.
- c. As more stakeholders engage with ASAP 340B and provide feedback, we will work towards drafting legislative proposals to share with Congress that reflect a diverse group of opinions.

Importance of contract pharmacy

- 1. Health centers rely on contract pharmacies to expand access for patients.
 - a. Health centers contract with pharmacies in their communities to increase patient access to affordable medications without creating additional barriers for vulnerable patients.
 - b. Contract pharmacies serve as an extension of the health center, allowing them to partner with local pharmacies, mail order pharmacies, and specialty pharmacies to extend patient access to affordable medications.
 - c. It is through these contractual arrangements that health centers can alleviate burdens related to social drivers of health to ensure patients can access the medications they need, at the most affordable prices.
- 2. Health centers rely on contract pharmacies more than other safety-net providers in 340B.
 - a. Some health centers do not have the financial resources to open an in-house pharmacy. More than 56% of health centers utilize only contract pharmacy to offer pharmacy services to patients.
 - b. Over 86% of health centers utilize contract pharmacies, including health centers with in-house pharmacies.
 - c. Health centers partner with independent pharmacies to provide access to discounted or free medications using the health center's discount programs funded by 340B savings.
- 3. Currently, health centers have 9 manufacturers refusing to ship 340B drugs to contract pharmacies and hospitals have 21 manufacturers restricting access at contract pharmacies.
 - a. Since 2020, drug manufacturers have restricted access to vital drugs that treat respiratory conditions, diabetes, heart disease, HIV, and more conditions.
 - b. Restrictions impact the ability of health centers to provide affordable medications to uninsured and underinsured patients at the pharmacy of their choice.
 - c. Without access to drugs at the 340B price, this has impacted the comprehensive services health centers provide to patients amid the COVID-19 pandemic and extreme workforce shortages.
- 4. Health centers and their patients cannot afford for one more manufacturer to restrict access to 340B drugs at contract pharmacies. Contract pharmacy legislation will provide permanent stability back into the 340B program.
 - a. As the 340B litigation works its way through the appeals process, health center patients are suffering the consequences.
 - b. Health centers are using every possible avenue to hold manufacturers accountable for violating the 340B statute. Legally, health centers are not allowed to file 340B-related lawsuits against



- manufacturers. Our only recourse against manufacturers is the Alternative Dispute Resolution (ADR) process, which manufacturers have done everything in their power to slow down.
- c. Several Court decisions recognized that Congress needs to provide clarity that the 340B statute requires manufacturers to ship to contract pharmacies.
- d. We know manufacturers have deep pockets to keep litigation going for a very long time. Health centers are depending on Congress to put an end to manufacturers' attacks on the 340B program.

Anti-Discriminatory Contracting Legislation and How PBMs Game the System

- 1. PBMs have no official role in the 340B program—they are not mentioned in the statute—yet they continue to pickpocket.
 - a. They discriminate against pharmacies that dispense drugs purchased under the 340B program.
 - b. They pick the intended 340B savings out of CHCs' pockets through actions such as decreasing reimbursement for 340B drugs and charging different dispensing fees, chargebacks, and clawbacks.
 - c. They leverage unequal bargaining power and force health centers to enter contracts that keep CHCs from benefitting from Congress' intended purpose of the program.

2. PBMS have been gaming the system and hurting CHCs by:

- a. Making up for the "lost" rebate: PBMs can lower reimbursement for the 340B drugs by using information provided by the manufacturer regarding which claims were filled with 340B drugs to pinpoint claims that will receive lower reimbursement.
- b. Avoiding "losing" the rebate in the first place by instituting policies, including:
 - i. Refusing to include a pharmacy in its network if it dispenses any 340B drugs.
 - ii. Imposing higher fees on pharmacies that dispense 340B drugs.

Efforts to combat anti-discriminatory contracting have been gaining traction at both the state and federal levels over the past few years.