

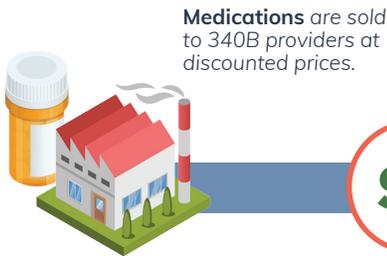


## WHAT IS 340B?

In 1992, bipartisan congressional action created the 340B Drug Pricing Program in an effort to lower drug costs for providers that care for a disproportionate share of low-income patients. The revenue that comes from 340B is an important source of financial support for Community Health Northwest Florida and other health centers like ours throughout the country.

## HOW DOES IT WORK?

**1** Pharmaceutical manufacturers agree to give discounts on outpatient drugs to qualifying programs as a condition of participating in the large Medicaid and Medicare Plan B markets.



**2** Qualified 340B providers like Community Health Centers, Rural Health Centers, Ryan White Clinics and Safety-net providers can purchase drugs from manufacturers at sizable discounts. Community Health Northwest Florida provides both clinical and pharmacy services.

**Uninsured** patients receive care and prescribed medications paid for by earned savings.

**Insured** patients receive the same level of care as expected from their coverage.



**3** Then, when the provider prescribes a drug, it is sold by the pharmacy to the patient's insurance company at the regular price. That difference - between the regular price and the discounted price - is money that can be used for the benefit of our patients.



**4** By purchasing medications at a lower cost, covered entities like Community Health Northwest Florida pass the savings along to their patients through reduced drug prices and then can keep any additional savings to fund other services. Importantly, as federal grantees, Community Health Centers are mandated under the law to reinvest all 340B savings back into patient care.



## SOUNDS GREAT, RIGHT?

It is great. Unfortunately, some manufacturers refuse to provide discounted meds to hospitals and clinics that contract with local pharmacies to distribute drugs closer to patients.





## WHAT IS PICK POCKETING?

Currently, health centers can GET 340B savings – but increasingly, they are unable to KEEP them. This is because third parties have found creative ways to transfer the benefit of the 340B savings from health centers to themselves – in other words, to pick the 340B savings out of health centers' pockets.

Unfortunately, a number of influential stakeholders within the prescription drug delivery system – pharmacy benefit managers (PBMs), health insurers, and drug manufacturers – are actively working to undermine this program. Attacks on 340B include PBMs engaging in discriminatory contracting against 340B providers, resulting in lower reimbursement for a 340B health center pharmacy than other pharmacies.

Another threat is the now extensive practice by a number of drug manufacturers to refuse to allow 340B drugs to be shipped to the “contract pharmacy” partners many Community Health Centers rely upon for dispensing 340B drugs to their patients.

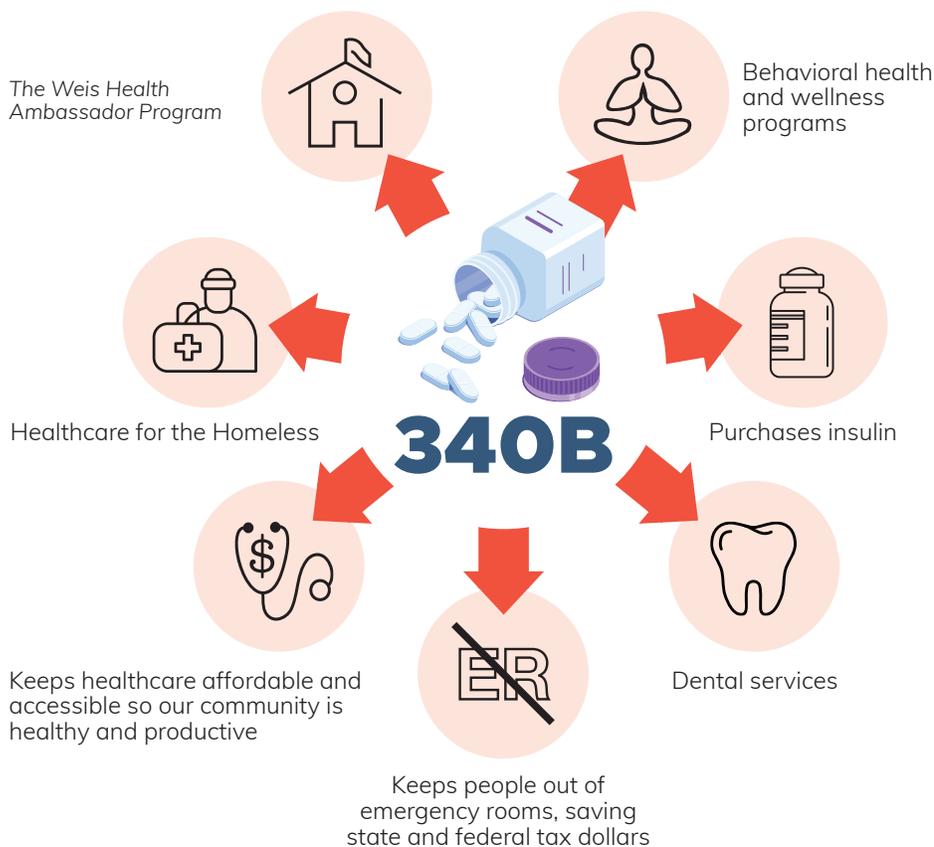
## WHAT COULD OUR COMMUNITY LOSE?

AT NO COST TO THE TAXPAYERS, so many of our unique and beneficial services to our community depend on 340B savings.

The Weis Health Ambassador Program



## HOW DOES 340B HELP MY COMMUNITY?



**\$70.2M**  
ECONOMIC IMPACT

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Florida Association of Community Health Centers (FACHC) has determined the overall economic impact of Community Health Northwest Florida in 2021 was **\$70.2 million!**



community health  
northwest florida  
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