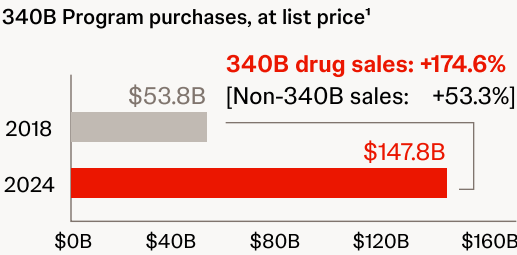


The 340B Program: Missing the mark for patients

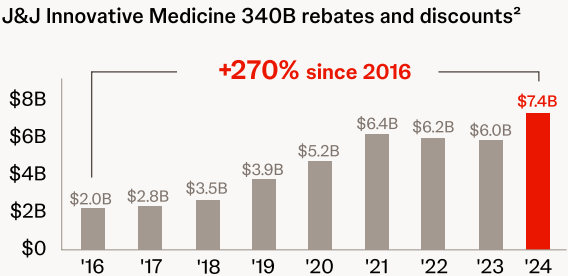
The 340B Program operates with little oversight, making it difficult to track whether billions of dollars in 340B discounts are reaching the patients the program originally intended to help.

The 340B Program has grown rapidly

Discounted purchases through the 340B Program reached \$147.8 billion in 2024 at list price, growing at more than three times the rate of non-340B sales between January 2018 and December 2024.¹

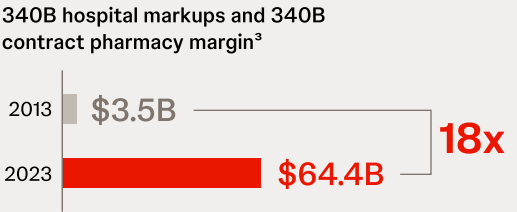


In 2024, J&J Innovative Medicine provided \$7.4 billion in rebates and discounts to 340B covered entities and DSH hospitals.²

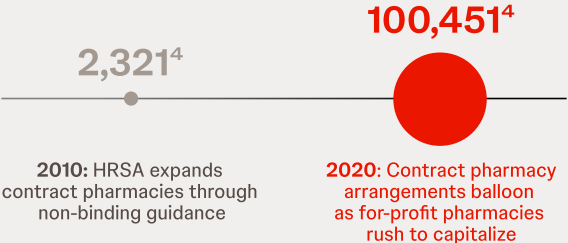


Which has led to exploding profits

In 2013, 340B generated about \$3.5 billion in profits for hospitals and PBMs.³ A decade later, that figure had soared to \$64.4 billion.³



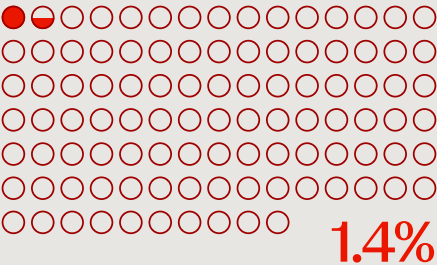
Provider margins have likely climbed even higher amid continued expansion of contract pharmacy dispensing and hospital participation.⁴



But patients — including the most vulnerable — aren't benefiting

Savings don't reach patients

A recent study found that only 1.4% of 340B-eligible prescriptions at contract pharmacies shared any direct savings with patients.⁵



Many hospitals fail to fund charity care

As the program has rapidly grown, charity care provided by disproportionate share hospitals (DSHs) has declined, suggesting the 340B Program is not delivering on its purpose—helping communities most in need.⁶



Citations

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