



HEALTHTRUST
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Pharmacy 340B Insights

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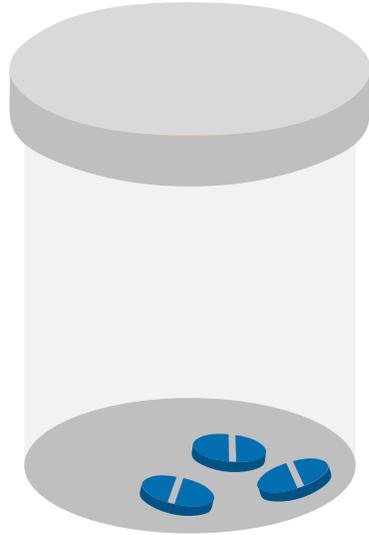


Navigating
Eligibility,
Compliance &
Challenges

Overview



How Does The 340B Program Work?



Creation

Congress created the 340B program in 1992 to help certain healthcare “safety net providers” that serve a large number of uninsured or vulnerable patients reduce outpatient prescription drug costs



Discounts

The 340B program requires prescription drug manufacturers to provide discounts to specified federally-funded clinics and certain hospitals, otherwise known as “covered entities,” as a condition of participation in the Medicaid program



Reach

The 340B Program enables eligible institutions to stretch scarce federal resources as far as possible, reaching more patients and providing more comprehensive services

Program Eligibility

What facilities are eligible for 340B participation?

Non-Profit

An entity can also meet eligibility by being one of six types of non-profit hospitals that meet specified program standards

Requirements

Requirements for eligibility that apply to hospitals are intended to target those hospitals that offer a higher proportion of care to uninsured or vulnerable patients



Federal Grants

Under the law, a healthcare entity is eligible for the 340B program by receiving one of 10 types of federal grants



Clinics

Federal grantees typically include clinics that offer primary and preventive care to uninsured or vulnerable patients.



Patient Eligibility



Patient Definition

Covered entities can only provide drugs they purchase through 340B to patients who meet the program's patient definition which include:



Record Maintenance

The covered entity maintains records of the individual's health care



Health Care Professional

The individual receives health care services from a health care professional who is either employed by the covered entity or provides health care under contractual or other arrangements



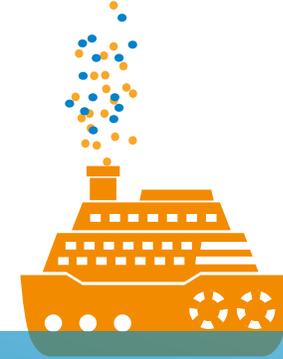
Healthcare Service

The individual receives a health care service or range of services from the covered entity

Common Challenges of the 340B Program

HRSA Audits

HRSA conducts roughly 200 audits a year. Non-Compliance could result in removal from the 340B program and/or repayment to manufacturers for drugs purchased using 340B pricing during the time period for which the violation occurred



Complexity & Compliance

Covered entities must carefully navigate the program's requirements, placing compliance as a top priority. HRSA, the governing body of the 340B program, is tasked with auditing covered entities and manufacturers to make sure they are compliant with 340B statutory requirements

Why is 340B Getting So Much Attention?



Constraint

Pharmaceutical companies have argued that the number of covered entities should be constrained



Community Impact

Limiting the number will reduce the amount of communities and patients served. The discounts are a critical and affordable source for holding together the building blocks of the healthcare safety net for vulnerable patients.



Safety Net

Without the program, other components of the safety net will be put at risk and in some communities the ability of the hospital or clinic to survive will be called into question



HealthTrust and 340B



Dedicated Resources

HealthTrust has dedicated resources to help 340B participants navigate the complexity and uncertainty of the program



Purchasing Strategies

HealthTrust GPO understands that covered entities must approach purchasing strategies differently than non-340B eligible locations



Contract Evaluation

We work hard to evaluate each contracting opportunity through the many lenses of entity types and associated requirements with the ultimate goal of purchasing optimization

Contact the Pharmacy Team

“HealthTrust’s pharmacy team helped enhance our pharmacy program by creating alignment between physicians, nurses, and executive leadership while addressing our challenge of cost containment”

- Senior Pharmacy Director

- Submit a general request on the HealthTrust website at HealthTrustpg.com/ihp/resources
- Contact Chris Yoder, Director of 340B Services at: Chris.Yoder@HealthTrustpg.com

Thank You