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Illinois Healthcare Leaders Seek Legislative Action to Protect Access to Life Saving Medication for Illinois' Most Vulnerable Patients

Legislation Aims to Stop Big Pharma from Restricting Patients' Ability to Fill Prescriptions at Local Pharmacies

SPRINGFIELD – Healthcare leaders from the Illinois Health and Hospital Association (IHA) and Illinois Primary Health Care Association (IPHCA) are asking the Illinois General Assembly to support a measure that would protect the federal 340B Drug Pricing Program (340B), which provides discounted lifesaving medications to eligible patients and allows 340B hospitals and Community Health Centers (CHCs) to expand health services in the communities they serve. Pharmaceutical manufacturers are actively working to limit the reach of the program, making it difficult for Illinois' most vulnerable patients to get their medication, while increasing the earnings for shareholders in an industry that generated over \$100 billion in profits in 2022.

"We must protect our patients and stop drug manufacturers from skirting the rules to avoid providing discounts on 340B medications to people whose lives depend on them," said A.J. Wilhelmi, IHA President and CEO. "Without these legislative protections, patients in our most vulnerable Illinois communities will not have access to life-saving medication and hospitals will be forced to shut down critical programs and services in their communities."

The Patient Access to Pharmacy Protection Act (<u>Senate Bill 3727</u>), which was introduced last week by Sen. Ann Gillespie (D-Arlington Heights), will help ensure access to life-saving drugs for patients served by 340B covered <u>entities</u> by prohibiting pharmaceutical manufacturers from interfering with a pharmacy contracted with a 340B covered entity, such as hospitals, specialized clinics and CHCs. The measure does not require additional state or federal funding but protects patient access to low-cost drugs and services through the 340B program that is already in place.

"Ensuring Illinois' most vulnerable populations have access to the medication and treatment they need to survive is of utmost importance to me," said Gillespie (D-Arlington Heights). "By placing limits on lifesaving medications dispensed through the 340B program, pharmaceutical manufacturers are hindering access to care and exacerbating health disparities. I'm proud to sponsor legislation that will protect patients' access to comprehensive care."

"When you consider that more than 90% of health center patients are at or below 200% of the federal poverty level, it is crucial that this legislation passes to ensure manufacturers do not continue

jeopardizing access to affordable medications and other critical healthcare services to this vulnerable population," said Ollie Idowu, President and CEO at the Illinois Primary Health Care Association. "This legislation will protect the program and, most importantly, the patients who depend upon it."

Since 1992, the federal 340B drug discount program has required pharmaceutical manufacturers to sell drugs at a discount to healthcare organizations, including many hospitals and CHCs that care for uninsured and low-income patients. The program allows 340B organizations to use those savings to "stretch scarce federal resources as far as possible, reaching more eligible patients and providing more comprehensive services."

Since 2020, pharmaceutical companies have impeded access to life-saving drugs for Illinois residents by limiting their ability to fill prescriptions through their local pharmacy, such as Walgreens or CVS. While the federal government has sought to impose civil monetary penalties on several drug companies for such actions, some courts have refused to enforce them, finding that the federal statute is ambiguous on contract pharmacy arrangements.

"The 340B program is a lifeline for the most vulnerable patients in our communities, providing discounts on medication and offering health services they may otherwise not have access to," said Trina Casner, President and CEO of Pana Community Hospital. "Hospitals are supportive of the Patient Access to Pharmacy Protection Act to put a stop to the onerous actions of drug manufacturers who are making it difficult, and in some cases, impossible for patients to get their prescription medication. This Act would also help to avoid the reduction or elimination of important healthcare services offered to our patients with the 340B savings."

"I speak for my fellow health center leaders across Illinois when I say that we need the state to take action and protect the 340B program to ensure that our patients can continue to receive the medications they might otherwise not be able to afford," said Heather Burton, IPHCA Board President and Central Counties Health Centers CEO. "Protecting this program, and the patients that rely upon it, is imperative in today's complex healthcare system to ensure that health centers remain the true safetynet providers that our patients know and deserve."

The Patient Access to Pharmacy Protection Act, modeled on similar legislation in Arkansas and Louisiana, exercises the State's traditional authority to regulate the distribution of drugs and protect access to healthcare. The Act also complements the requirements of the federal 340B statute. For more information about the federal 340B Program, <u>click here</u>.

About the Illinois Primary Health Care Association (IPHCA)

IPHCA is a nonprofit trade association that serves as the voice of and champion for Illinois' 54 community health centers, which serve more than 1.5 million patients annually across more than 430 service sites in medically underserved rural, urban, and suburban areas. IPHCA.org.

About IHA

The Illinois Health and Hospital Association, with offices in Chicago, Naperville, Springfield, and Washington, D.C., advocates for Illinois' more than 200 hospitals and nearly 40 health systems as they serve their patients and communities. IHA members provide a broad range of services—not just within their walls, but across the continuum of healthcare and in their communities. Reflecting the diversity of the state, IHA members consist of nonprofit, investor-owned and public hospitals in the following categories: community, safety net, rural, critical access, specialty, and teaching hospitals, including academic medical centers. For more information, see <u>www.team-iha.org</u>. Like IHA on <u>Facebook</u>. Follow IHA on <u>X</u> (formally known as Twitter).