Protect the 340B Drug Pricing Program

November 16, 2017

Federal Advocacy Alert

Ask Your U.S. Representative to Co-Sponsor H.R. 4392 to Protect 340B

In its Calendar Year 2018 Medicare Outpatient Prospective Payment System (OPPS) final rule, the Centers for Medicare & Medicaid Services reduces payments for separately payable, non-pass-through drugs purchased through the 340B Drug Pricing Program from average sales price (ASP) plus 6 percent to ASP minus 22.5 percent. The nearly 30% pay reduction is estimated to cost hospitals $1.6 billion.

U.S. Reps. David McKinley (R-WV) and Mike Thompson (D-CA) have introduced H.R. 4392 which would prevent CMS’s pay reduction from going into effect. Earlier this year Reps. McKinley and Thompson circulated a Dear Colleague letter urging CMS to rescind the proposal. 15 of the 18 members of the Illinois Congressional delegation signed the letter: Reps. Mike Bost (R-12), Cheri Bustos (D-17), Danny Davis (D-7), Rodney Davis (R-13), Bill Foster (D-11), Luis Gutierrez (D-4), Randy Hultgren (R-14), Robin Kelly (D-2), Raja Krishnamoorthi (D-8), Darin LaHood (IL-18), Dan Lipinski (D-3), Bobby Rush (D-1), Mike Quigley (D-5), Jan Schakowsky (D-9), and Brad Schneider (D-10).

Action requested: Call or email your Member of Congress and ask him or her to co-sponsor H.R. 4392 to prevent cuts to the 340B Drug Pricing Program. To contact your member of Congress, click here.

To help support your advocacy efforts, see a fact sheet on the 340B Drug Pricing Program, and IHA’s comment letter to CMS opposing the proposal.

Suggested Talking Points:

- The Centers for Medicare and Medicaid Services (CMS) has finalized a rule that would drastically reduce the amount Medicare reimburses for drugs purchased through the 340B Drug Pricing Program.
- This policy will limit the ability of hospitals to offer necessary services to vulnerable patients who benefit from the program.
- The 340B Drug Pricing Program provides critical support to safety-net, critical access and children’s specialty hospitals to offer affordable prescription drugs to financially vulnerable and fragile patients.
- Please protect the 340B program by co-sponsoring H.R. 4392 which would stop the provision from going into effect on Jan. 1, 2018.

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