Illinois Health and Hospital Association

Requirements by pharmaceutical companies are making it hard for hospitals like Olympia Fields Hospital to turn savings on drug costs into services for patients. The hospital—serving Olympia Fields and surrounding communities of Chicago Heights, Matteson and Park Forest—has used savings of $20 million annually on services including its:

- Outpatient Infusion Center that provides comprehensive cancer care, chemotherapy and non-oncology infusion services;
- Medication to Bedside program that bridges the gap from inpatient to community and ensures medication access to all patients prior to discharge; and
- Pharmacist-managed Anticoagulation Clinics and Pharmacotherapy Clinics that improve medication outcomes and reduce hospital readmissions.

In 2011, Olympia Fields Hospital joined the federal 340B drug discount program "to help serve the uninsured and under-insured community residents in Olympia Fields and Chicago Heights." Both suburbs south of Chicago have poverty rates higher than the state's average of 11.6%. The rate is 12.7% in Olympia Fields, while it's 24.7% in Chicago Heights.

The 340B program, named after the 340B section of the U.S. Public Health Services Act, was created in 1992. It requires drugmakers that participate in Medicaid to sell certain outpatient drugs to safety-net healthcare providers, including hospitals, at a discount.

Yet, in 2020, pharmaceutical companies began imposing restrictions on 340B providers, such as limiting contract pharmacies to a single pharmacy and requiring the contract pharmacy be within a defined mileage radius.

"The 340B program serves as a vital lifeline for safety-net providers to support critical health services in low-income or isolated rural communities, which are typically operated at a loss," Olympia Fields Hospital said. "Significantly more 340B hospitals provide money-losing vital health services than non-340B hospitals, which include trauma centers, labor and delivery services, HIV-AIDS services, and immunizations."

Olympia Fields Hospital is a federally designated Disproportionate Share Hospital, meaning it serves a significantly disproportionate number of low-income Medicare patients.

Actions by drugmakers are adding to the financial challenges facing the Catholic health system, whose mission centers on "continuing Christ's ministry in our Franciscan tradition" and vision is to "be a recognized leader in the provision of high quality, value based, compassionate care through collaboration with others in the communities we are privileged to serve."