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IN CASE YOU MISSED IT: New GAO Report Finds Oversight Lacking For 340B Hospitals

WASHINGTON – A [new report](#) from the Government Accountability Office (GAO) has concluded increased oversight is needed to ensure nongovernmental hospitals meet 340B eligibility requirements. The report is further evidence that fixes to the program are necessary to ensure patients are benefiting.

The Alliance for Integrity and Reform of 340B (AIR340B) issued the following statement in response:

“This report confirms a lack of sufficient administrative authority needed to provide effective oversight of the 340B program, particularly when it comes to verification of hospital eligibility. It’s no coincidence that hospitals’ participation in 340B has skyrocketed in recent years – they are taking advantage of the Health Resources and Services Administration’s (HRSA) lax oversight in order to pad their bottom lines, all while providing less and less charity care to vulnerable patients. In order to reflect the program’s original intent, eligibility requirements for 340B hospitals must be strengthened. HRSA should take steps to review and implement GAO’s recommended changes to address the concerns raised by the lack of sufficient oversight.”

Highlights from the report include:

“HRSA’s current processes and procedures do not provide reasonable assurance that nongovernmental hospitals seeking to participate and benefit from the 340B program meet the program’s eligibility requirements.”

“Given the weaknesses in HRSA’s oversight, some hospitals that do not appear to meet the statutory requirements for program eligibility are participating in the 340B program and receiving discounted prices for drugs for which they may not be eligible.”

Click [here](#) to access the full report.

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The Alliance for Integrity and Reform of 340B (AIR340B) is a coalition of patient advocacy groups, clinical care providers, and biopharmaceutical innovators dedicated to reforming and strengthening the 340B program to ensure it directly supports access to outpatient prescription medicines for uninsured indigent patients. www.340Breform.org