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**New Report Exposes Extreme Profit Retained from  
340B Program by Covered Entities, Particularly for Oncology Medicines**  
*The program has generated more than \$40 billion in profit for covered entities in 2019, with  
self-administered oncology medicines driving much of the growth in profit*

**WASHINGTON** – Today, the Alliance for Integrity and Reform of 340B (AIR340B) released a [new report](#) by Health Capital Group that uncovered significant growth in sales within the 340B Drug Pricing Program, including a near 200% increase in hospital participation in the program over the last decade. The question that remains is whether this growth has benefited patients.

“This new report is further evidence that the 340B program has become a lucrative revenue stream for disproportionate share hospitals and their contract pharmacies as a result of lax oversight and dismal transparency requirements. The data, obtained through the Freedom of Information Act, are proof of how difficult it is to ensure the vulnerable and uninsured communities the program is intended to support are benefiting from this exponential growth. At a minimum, greater oversight, transparency, and accountability should be required of these bad stewards of the program so we can ensure 340B is working for patients,” said former Illinois Congressman and AIR340B Spokesman Bob Dold.

**Key Findings:**

In this recent study, the researchers estimate that **340B covered entity profits have more than doubled, from \$20.2 billion in 2015 to \$40.5 billion in 2019**. The program itself has become a sizeable funding source for thousands of grantees and hospitals that participate in the program.

Oncology Medicines at Top of Profit List

Oncology medicines dominate the 340B program, accounting for a large and growing share of total program profits. The analysis estimates that **self-administered oncology medicines have been the fastest growing segment**, contributing the largest share of 340B profits for covered entities.

Contract Pharmacies’ Share of Profit Continues to Increase

The report conservatively assumes that contract pharmacies retain 15% of the total profits generated for 340B self-administered drugs. With this assumption, the report estimates that

**contract pharmacies generated more than \$5 billion in profits from 340B sales in 2019**, up from roughly \$2 billion in 2015.

Pharmaceutical Industry Contributes Billions to 340B Program

Finally, the report estimates that the **pharmaceutical industry's contribution to 340B is roughly \$25 billion, or 63% of total 340B profits**; the remaining \$15 billion is borne by payers and consumers in the form of higher insurance premiums and higher overall prices at the pharmacy counter.

AIR340B recently released a poll that found the majority of voters realize that 340B can serve as a vital safety net for vulnerable or uninsured patients, and that contract pharmacies and hospitals should not be profiting off of programs intended to support these patients. The same poll found most voters also agree the program needs to be updated so it supports patients. [Click here](#) to access findings from the poll.

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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](http://www.340Breform.org)