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Two-Thirds of 340B DSH Hospitals Are Not Located in Medically Underserved Areas

Analysis Raises Questions on How 340B DSH Hospitals Are Providing Care to Underserved Communities if They Are Not Located in Those Communities to Begin With

WASHINGTON, D.C. – According to an updated [analysis](#) out today, 65% of 340B disproportionate share hospitals (DSH) are not located in medically underserved areas (MUAs) – meaning even fewer are in MUAs than last time this analysis was done in 2021. The Alliance for Integrity and Reform of 340B (AIR340B) engaged Xcenda to conduct the updated analysis, titled, “340B – A Missed Opportunity to Address Those That Are Medically Underserved.”

“This report is yet another indication the 340B Drug Pricing Program is in dire need of oversight measures to ensure the program is reaching vulnerable patients,” said **AIR340B Spokesperson and former Illinois Congressman Bob Dold**. “Evidence that 65% of DSH hospitals are not located in MUAs illustrates shortcomings within the program that are allowing 340B hospitals to prioritize profits over the patients who should be benefiting from 340B savings. Exponential growth of the program is not slowing down, and data demonstrating the expansion of 340B DSH hospitals, associated child sites and contract pharmacies is not into MUAs is troubling.”

Key findings from the report include:

- Only 35% of 340B DSH hospitals were found to be located in MUAs, meaning 65% were not.
- Of the offsite facilities associated with the hospitals examined (also known as child sites), only 26% were found to be located in MUAs.

- Of the pharmacies in contracts with the hospitals examined, only 23% were found to be located in MUAs.

These findings, taken together, demonstrate a dwindling presence of 340B DSH hospitals and their associated facilities and pharmacies in our most vulnerable communities across the country. Given the 340B program was intended to be a safety-net program, there appears to be a disconnect. 340B hospitals and their facilities should predominantly be in MUAs if they are in fact reaching the vulnerable communities they claim to support to qualify for the 340B program.

AIR340B is a leading voice advocating for fixes to the 340B program, including accountability and oversight measures for the well-being of vulnerable patients. While the 340B program can serve as a vital tool for advancing health equity, evidence pointing to a lack of commitment to [charity care](#) and [expansion into affluent communities](#) raising concerns the program is not reaching the vulnerable patients it was intended to reach. It is not too late for Congress to address program flaws by making a commitment to addressing 340B loopholes once and for all.

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About AIR340B

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