



FOR IMMEDIATE RELEASE

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AIR340B Coalition: H.R.7635 Ignores 340B Program Abuse

WASHINGTON, D.C. – The Alliance for Integrity and Reform of 340B (AIR340B) Coalition issued the following statement in response to recently introduced federal legislation, H.R.7635:

“The 340B Drug Pricing Program has ballooned with uncontrolled growth of contract pharmacies, allowing hospitals, pharmacy chains, and PBMs to benefit at the expense of the neediest Americans. Instead of passing program discounts to patients, hospitals and the pharmacies they contract with seek loopholes to squeeze more profits out of the program. Simply put, patients do not see 340B discounts, and the program continues to grow and be misused.

“The H.R.7635 seeks to further empower these program abuses, which is in sharp contrast to 340B’s stated purpose of helping the patients who need it most. As Congress continues to examine the 340B program, we urge legislators to prioritize fixes that ensure it works for vulnerable patients, not for-profit pharmacies and PBMs.”

“The number of 340B contract pharmacies increased by [53%](#) between 2018 and 2023, totaling more than 33,000 locations today. Making matters worse, much of this growth is [concentrated in affluent and predominately white communities](#), once again leaving communities most in need behind. These pharmacies share in billions of dollars in discounts that hospitals get through the program, but there is little evidence any of that money is used to lower patient costs.

“The Government Accountability Office [surveyed](#) 340B hospitals, and more than 50% reported they did not share discounts with low-income, uninsured patients at their contract pharmacies.”

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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.