

Why Are 340B Hospitals Profiting More Than They're Helping Patients?



Questions For 340B Hospitals Must Be Answered

Vulnerable patients rely on the 340B program to help them afford lifesaving treatments. However, many hospitals have turned 340B from a well-intentioned program to help patients into a profit-maximizing machine. It's time to ask 340B hospitals in your area some hard questions:

1. What Percentage of Your 340B Discounts Go Directly to Patients to Lower Costs?

Disproportionate share hospitals (DSH), which should serve a high number of low-income patients, captured \$44 billion in 340B profits in 2022. However, DSH hospitals reported less than half that – \$18.5 billion – in charity care costs. (Source: [AIR340B](#))

2. When You Get 340B Discounts for Privately Insured Patients, Do You Use Some of the Money to Directly Lower Out-of-Pocket Costs for Low-Income Patients?

Just 35% of DSH 340B hospitals are located in the medically underserved areas they are meant to serve. 340B hospitals continue to expand into more affluent areas in order to generate greater profit, while closing facilities and services in underserved communities. (Source: [Xcenda](#))

3. Would You Be Open to Transparency and Accountability Measures That Would Help Shine Light on How Much Money Your Hospital is Making from 340B?

Hospitals made 87% of purchases under 340B in 2022 but are not required to report their 340B profits or how this revenue is used to lower costs for patients. Improved transparency, accountability and oversight are important steps towards addressing program abuses. (Source: [AIR340B](#))

Lack of transparency, accountability and oversight in the 340B program has led to the program being used to improve the bottom lines of many participating hospitals, a far cry from its original goal of improving access for low-income patients. Congress must act to set the program back on track and ensure 340B is serving vulnerable patients as intended.

Learn more about the 340B program and how we can make it work for patients:
340breform.org/overview.