

Community Oncology Alliance Submits Comments to Senate RFI on 340B Program

Senate RFI Response from COA Details Fixes to Important 340B Program That is Clearly Broken in Hospital Market

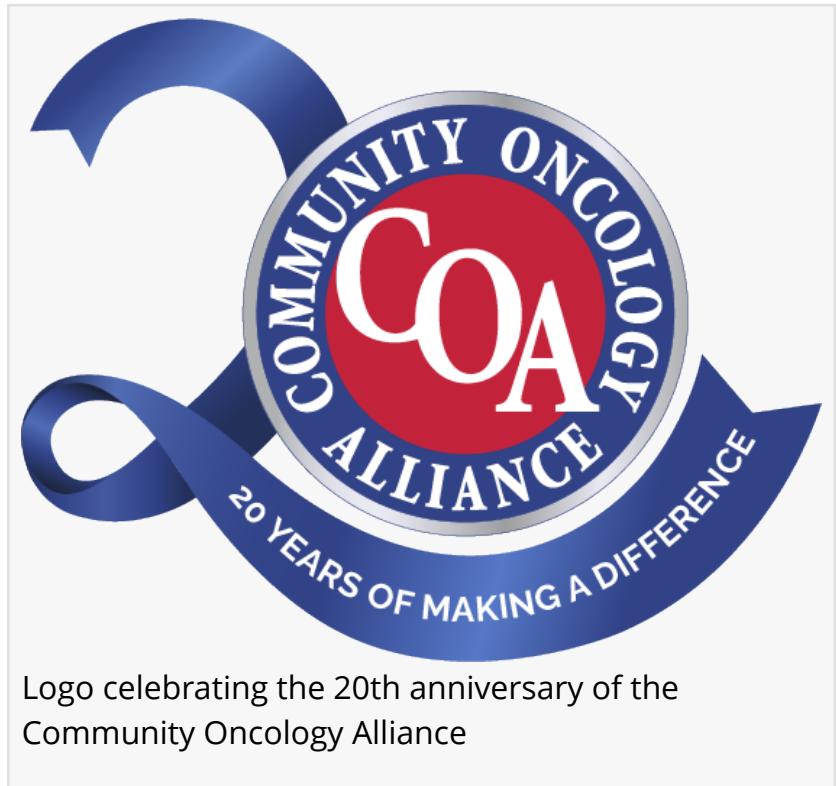
WASHINGTON, DC, UNITED STATES, July 28, 2023 /EINPresswire.com/ -- The Community Oncology Alliance (COA) has submitted a formal response to a bipartisan Request for Information (RFI) from members of the United States Senate on issues and solutions to fix the broken 340B Drug Pricing Program (340B).

- [Read COA's full response to the Senate 340B RFI.](#)

COA's RFI response provides a detailed overview of the current problems with the 340B program in the hospital market and solutions to ensure the fundamentally broken program can be reformed to achieve its goals of helping patients in need. COA believes that the 340B program is critically important and supports the original congressional intent of 340B to financially help safety-net providers stretch scarce resources so that patients in need can afford their medications.

Unfortunately, the 340B program has grown exponentially and mutated far beyond its original intent, creating perverse financial incentives for large hospitals that significantly deviate from the program's original mission. As the RFI response clearly notes, the problem with 340B resides squarely with hospitals and, in particular, large, consolidated health systems, not 340B federal grantees that are held to much higher reporting and accountability standards.

The RFI response details how the enormous profit incentive of 340B has fueled significant consolidation of the nation's cancer care system, driving independent community oncology practices to close or merge with hospital outpatient departments. This consolidation has reduced patient access, cost patients more for their medical care and drugs, and has increased the number of independent physician office closures. Ultimately, the 340B program has shifted



Logo celebrating the 20th anniversary of the Community Oncology Alliance

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*Ted Okon, executive director,
COA*

from benefiting the country’s most vulnerable patients and instead is benefiting hospitals and some of the country’s largest corporations with pharmacy benefit manager (PBM) divisions that operate as 340B contract pharmacies.

“COA has long led the chorus for reform of 340B, and we are pleased that members of Congress from both sides of the aisle are taking a holistic look at this program,” said Ted Okon, executive director of COA. “It is beyond time to fix the completely broken and abused 340B program in the hospital market that is increasing costs to patients with cancer and fueling health system consolidation.”

COA’s 340B RFI response provides detailed input on six key areas:

- The need for the federal government to bolster the Health Resources and Services Administration (HRSA) authority to oversee the 340B program to ensure compliance with its rules and regulations;
- 340B program abuses committed by PBM contract pharmacies and the need to improve oversight and establish consistency and certainty in these arrangements;
- The need for 340B discounts to follow underinsured, uninsured, and indigent patients and not be awarded directly to 340B hospitals;
- Additional oversight and tools needed to identify and prevent duplicate discounts, which continue to fuel high list prices for drugs;
- Common sense program integrity measures, such as strengthening the definition of a 340B patient, addressing hospital eligibility, and placing guardrails on the use of off-campus child sites; and
- Creating much-needed transparency into the 340B program in hospitals and how savings are spent.

COA’s 340B RFI response also highlights concerns over the Centers for Medicare & Medicaid Services (CMS) recent proposal to restore hospital 340B drug reimbursement to Average Sales Price (ASP) plus six percent following a recent Supreme Court decision. As COA details in the letter, the Supreme Court ruling actually said that the first “option” was for CMS to base 340B hospital reimbursement on drug acquisition survey data, which the agency had and reported on in 2020. However, CMS did not follow the Supreme Court’s decision and instead has arbitrarily and capriciously increased drug prices to Medicare and beneficiaries without sufficient, or any, coinsurance by almost 50 percent.

Read COA’s full Senate 340B RFI response at <https://mycoa.communityoncology.org/education-publications/comment-letters/coa-response-to-senate-rfi-on-340b-drug-pricing-program>.

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About the Community Oncology Alliance: The Community Oncology Alliance (COA) is a non-profit organization dedicated to advocating for community oncology practices and, most importantly, the patients they serve. For more than 20 years, COA has been the only organization dedicated solely to community oncology where the majority of Americans with cancer are treated. The mission of COA is to ensure that patients with cancer receive quality, affordable, and accessible cancer care in their own communities. More than 5,000 people in the United States are diagnosed with cancer every day and, deaths from the disease have been steadily declining due to earlier detection, diagnosis, and treatment. Learn more at www.CommunityOncology.org. Follow COA on Twitter at www.twitter.com/oncologyCOA or on Facebook at www.facebook.com/CommunityOncologyAlliance.

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