

COA Files Amicus Brief Supporting 340B Rebate Model Appeal, Warning of PBM Takeover and Urging Congressional Action

Amicus Filing Reinforces Need for Transparency and Accountability in Broken 340B System Dominated by PBMs and Mega Hospitals

WASHINGTON, DC, UNITED STATES, June 25, 2025 /EINPresswire.com/ -- The Community Oncology Alliance (COA) today filed its third amicus curiae brief in federal court supporting efforts to reform the 340B Drug Pricing Program through the adoption of transparent rebate models.

The brief, filed in the U.S. Court of Appeals for the D.C. Circuit in support of Novartis and Bristol Myers Squibb in the case *Novartis Pharmaceuticals Corporation v. U.S. Department of Health & Human Services et al.*, docket number 24-2968, reinforces COA's call to restore the 340B program to its original purpose – helping patients in need – by exposing and reversing the growing financial exploitation of the program by pharmacy benefit managers (PBMs) and hospital systems.

- [Read COA's Amicus Curiae Brief on 340B Program Rebate Model Litigation.](#)

As detailed in the filing, the 340B program has veered far from its original congressional intent to support care for vulnerable patients. Instead, it has become a financial cash cow for vertically integrated PBMs and large hospitals, many of which operate extensive networks of affiliated contract pharmacies. These arrangements siphon billions of dollars away from patients, all behind a wall of opacity and without adequate regulation or oversight.



Community Oncology Alliance Logo

The brief documents how PBMs, now among the largest participants in the 340B ecosystem, exploit contract pharmacy arrangements and data gaps to extract profits – often through duplicate discounts and inflated reimbursement schemes –and patients in need suffer.

COA argues that the proposed data-driven rebate models are a critical step toward restoring transparency and accountability to the program. Under these models, discounts would only be applied once patient eligibility is confirmed, helping to ensure that program savings reach the patients the program was created to serve.

This approach would stop the silent redirection of 340B dollars into the hands of some of the largest for-profit corporations in the country and instead redirect those savings toward patients in need. This breakdown in accountability was clearly detailed in a report released by United States Senator Bill Cassidy, MD (R-LA), and majority staff of the Senate Committee on Health, Education, Labor, and Pensions (HELP). It documented the lack of transparency and the questionable flow of billions of dollars in discounts through the 340B program.

The filing supports an appeal challenging a lower court decision that upheld the federal government's ability to block rebate models – models designed to improve 340B oversight and ensure savings reach patients.

This marks the third amicus brief COA has filed supporting 340B rebate reforms and opposing the status quo that enables PBM and hospital system abuses. In each of the previous filings, COA has warned of the growing and unchecked influence of PBMs, which now dominate the program and distort its operation at the expense of patient care.

As Congress and the Trump administration continue to examine health care reforms and oversight of PBM abuses, COA urges both to act swiftly to restore the 340B program's original mission. Without change, the 340B program will remain a black hole of profits for large corporations – while patients, especially those with cancer and serious illnesses, are left behind.

Read the full amicus brief on the 340B program rebate model litigation at <https://mycoa.communityoncology.org/education-publications/comment-letters/coa-amicus-brief-in-340b-program-rebate-model-dispute-appeal--novartis-and-bristol-myers-squibb>.

To contact the law firm responsible for the submission of the brief, Frier Levitt, LLC, parties may call (973) 668-4328.

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The Community Oncology Alliance (COA) is a nonprofit organization dedicated to advocating for community oncology practices and, most importantly, the patients they serve. COA is 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 1.5 million people in the United States are diagnosed with cancer each year and deaths from the disease have been steadily declining due to earlier detection, diagnosis, and treatment. Learn more about COA at www.communityoncology.org.

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