


340B PARTNERSHIPS



Sandra F. Durley, PharmD
**Associate Director, Ambulatory
Care Pharmacy**
University of Illinois at Chicago
College of Pharmacy



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health

LEARNING OBJECTIVE

Describe the benefits safety net providers gain by participating in the 340B drug discount program



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health

340B PARTNERSHIPS - OVERVIEW

- What is 340B?
- Who Qualifies?
- Benefits of Participation
- 340B and ACA
- Recent controversies/Impact on Pharmacy



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health

BACKGROUND

340B Drug discount program created by Congress in 1992

- Reduced drug prices for “safety-net Providers” with high volume poor, uninsured & underinsured patients
- Stretch scarce resources, reach more patients & provide more comprehensive services



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health

ELIGIBLE PROVIDERS

Health Centers

- Federally Qualified Health Centers (FQHC)
- FQHC Look-Alikes
- Native Hawaiian Health Centers
- Tribal / Urban Indian Health Centers

Specialized Clinic

- Black Lung Clinics
- Comprehensive Hemophilia Diagnostic Treatment Centers
- Title X Family Planning Clinics
- Sexually Transmitted Disease Clinics
- Tuberculosis Clinics

Hospitals

- Children's Hospitals*
- Critical Access Hospitals*
- Disproportionate Share Hospitals
- Free Standing Cancer Hospitals*
- Rural Referral Centers*
- Sole Community Hospitals*


Ryan White

- Ryan White HIV/AIDS Program Grantees

**access granted through ACA*



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health

ELIGIBLE PATIENTS

- **Established** a relationship with covered entity
- Care provided by **healthcare professional** who is either **employed** or has contractual arrangements with the covered entity
- Service or **range of services consistent with** the service or range of services for **grant funding** *(not applicable for DSH)*



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health

ADDITIONAL PROGRAM REQUIREMENTS

- No **duplicate discounts** – Medicaid Rebate
- No **diversion** to ineligible patients



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System


Pharmacy  Your Prescription for Health

BENEFITS OF 340B PARTICIPATION

- Medication Assistance Program – **access to low cost medications** for self pay patients
- Lower cost medications enables covered entities to provide **services to more patients**
- Implementation/Expansion of **uncompensated services** such as MTM



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health

UNIVERSITY OF ILLINOIS HOSPITAL AND HEALTH SCIENCES SYSTEM



UNIVERSITY OF ILLINOIS HOSPITAL AND HEALTH SCIENCES SYSTEM

- The health system


- 495 bed hospital; Over 60 outpatient clinics; 11 Federally Qualified Health Centers
- 7 health sciences colleges (medicine, nursing, dentistry, pharmacy, public health, social work, and applied health sciences)

- Population served

- The UI Health primary service area includes 2 million people who are among many of the poorest Chicago communities and more than one-quarter of the city's medically needy residents
- 35% of the residents in these communities are Hispanic; 35% are African American



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health


UNIVERSITY OF ILLINOIS HOSPITAL AND HEALTH SCIENCES SYSTEM

The pharmacies

- Seven Ambulatory Care Pharmacies that dispense over 1,200 prescriptions daily.
 - Six pharmacies participate in 340B
- Many clinical pharmacy services – MTM, Transplant, Oncology, HIV/AIDS, Hepatitis C, Multiple Sclerosis, Sickle Cell Anemia, Women's Health, Pediatrics
- Support for residency training programs



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health

PHARMACY RESIDENTS

2013/2014

PGY1 – 17 (4 community pharmacy (1 in-house); 1 international)

PGY2 – 12

- Critical Care
- Organ Transplant (2)
- Cardiology
- Ambulatory Care (2)
- Pediatrics
- HIV
- Emergency Medicine
- Oncology
- Pharmacogenomics
- Drug Information



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health

340B AND AFFORDABLE CARE ACT

The Affordable Care Act :

- Broaden scope to include children's hospitals, free-standing cancer hospitals and several kinds of rural hospitals
patients in these settings have access to lower-cost medications
- Improvements in the integrity and financial oversight of the 340B program



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health

340B AND AFFORDABLE CARE ACT

Government Accountability Office Study


(Report published September 2011):

Findings:

- Over 50% of respondents reported using 340B savings to support cost-effective and patient-focused pharmacy services such as:
 - Medication Therapy Management
 - Disease management
 - Patient Assistance Programs
- Program is critical to pharmacy and broader hospital indigent care mission



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health

340B AND AFFORDABLE CARE ACT

Recommendations:

Improve 340B Program integrity by -

- increasing compliance by manufacturers and covered entities with program requirements (audits)
- establishing an administrative process for resolving claims of violations of such requirements



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health

RECENT CONTROVERSIES

- Increased scrutiny by Congress and pressure to constrain program growth
 - Influential lawmakers proposing to restrict program to uninsured patients only
 - Pharmaceutical industry stepping up lobbying efforts
- Questions raised about whether patients are benefitting and negative implications of 340B for patient care
 - various interest groups raising concerns
- Third party payers are ratcheting down reimbursement



NATIONAL MEDIA ATTENTION

The New York Times

Dispute Develops Over Discount Drug Program

By ANDREW POLLACK
Published: February 12, 2013

JAMA

The Journal of the
American Medical Association

Cost Consequences of the 340B Drug Discount Program



Pharmalot
from the publishers of *PharmaLive.com*
With Ed Silverman

Take the iCONNECT™ Challenge

Blog News Webcasts Podcasts Classifieds PharmaLive

Pharma Blog » 2013 » February » 13

Now, Pharma Takes A Whack At The 340B Program

By Ed Silverman // February 13th, 2013 // 10:49 am

17 Comments



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health

THE HILL'S Congress Blog

Where lawmakers come to blog

**“Hospitals twist
prescription assistance
program for their own
benefit”**



YouTube

Adam J. Fein, PhD
President, Pembroke Consulting, Inc

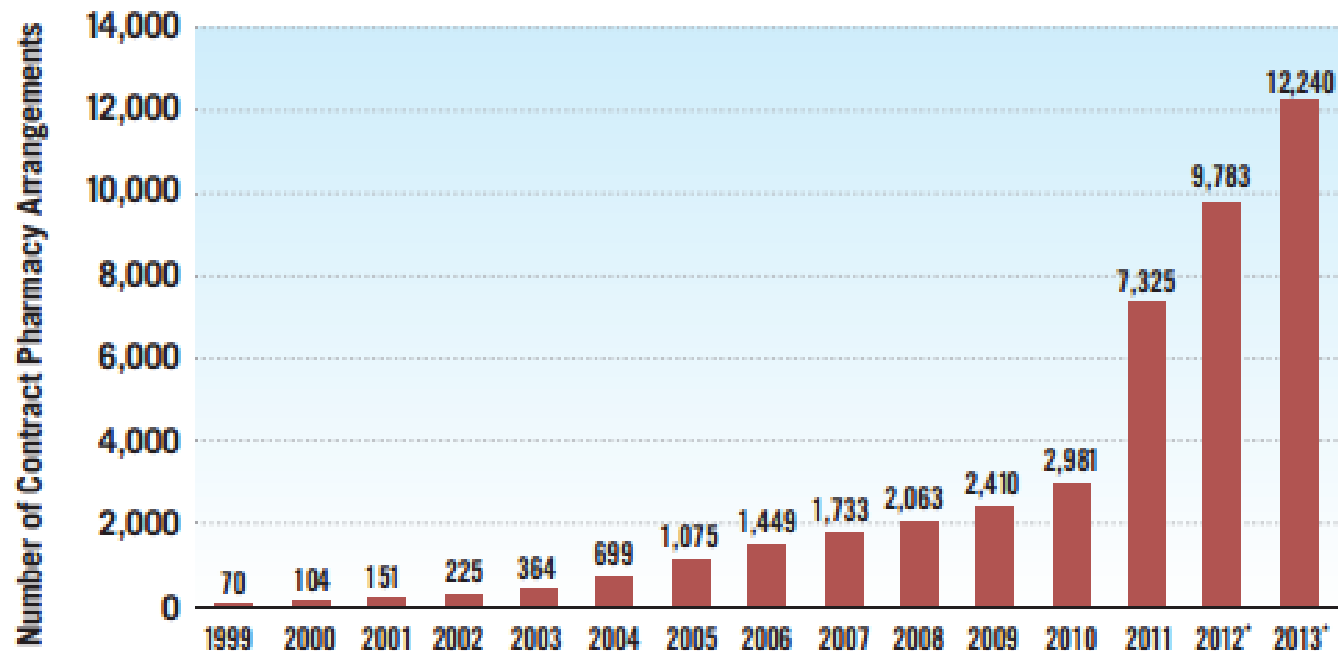
Specialty Pharmacy Times

0:14 / 1:57

The 340B Drug Discount Program

RECENT CONTROVERSIES

Figure 3: Growth in 340B Contract Pharmacy Arrangements, 1999–2013 (as of July of Each Year)




*2012 and 2013 reflect HRSA projections.

Source: Avalere Health analysis of HRSA 340B contract pharmacy arrangements files.



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health

VIEWPOINT

340B Participation = Win-Win

Patients


- Access to affordable medications
- Access to comprehensive pharmacy services
 - Medication Therapy Management
 - Referral and collaboration with healthcare team

Pharmacies

- Access to new patients
- Opportunities to expand clinical services
- Better able to serve health care needs of their communities



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health

VIEWPOINT

ACA


- Better care, Better Health, Lower Costs
- Alternative reimbursement methods
- Provides opportunities for pharmacists to participate in team based patient care delivery models

Pharmacy Challenges

- Revised payment methods involve other disciplines
- Lack provider status
- In the meantime: 340B participation to bridge compensation gap




UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health

THANK YOU



UNIVERSITY OF ILLINOIS
Hospital & Health Sciences System

Pharmacy  Your Prescription for Health