

## As Drug Costs and PhRMA Profits Soar, New National Alliance Forms to Threaten 340B

On March 9, a group billing itself as the [Alliance to Save America's 340B Program \(ASAP\)](#) announced its formation as well as the set of principles it would like to see implemented that would vastly alter the 340B prescription drug discount program. The alliance is headed up by the Pharmaceutical Research and Manufacturers of America (PhRMA) and the National Association of Community Health Centers and includes 10 other groups.

While the group assembled under the guise of "saving" 340B, its [policy proposals](#) would ironically serve only to boost record profits enjoyed by PhRMA at the expense of 340B safety-net hospitals. The American Hospital Association put out a statement shortly after the group was announced.

"They can try to call themselves Alliance to Save America's 340B Program," said AHA Vice President of Advocacy and Grassroots Aimee Kuhlman. "But the drug companies don't want to 'save' the 340B program—they want to end it because it makes a small dent in their sky-high profits. No amount of Orwellian language can hide the fact that the real victims of this self-interested proposal will be the millions of patients and communities that 340B hospitals serve each day."

Last month, [WHA joined a group of rural hospital leaders](#) to stress the importance of the program with our Wisconsin congressional delegation. WHA will continue to advocate on the importance of [protecting 340B](#) given that it is one of the only tools hospitals have to offset runaway rising prescription drug costs.

"Hospitals are already operating in a very challenging fiscal environment, with rising labor and supply chain costs. And now, with drug costs exploding for hospitals, the drug makers have created this misleading coalition to raise drugs costs even more," said WHA President and CEO Eric Borgerding. "Proposals that erode the 340B program would only serve to benefit large drug makers while making it more challenging for safety-net hospitals to offer the many services they already operate at a loss—services that serve the most vulnerable members of their community."

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