

February 23, 2021

FEDERAL ADVOCACY ALERT

<u>ACTION REQUESTED</u>: Join over half of Illinois' 340B hospitals in committing to the AHA's 340B "Good Stewardship" Principles to help communicate how the program enables you to stretch scarce resources to care for your patients and communities. All 340B participating hospitals are eligible.

BACKGROUND: The 340B Drug Pricing Program has been critical in expanding access to lifesaving prescription drugs and comprehensive healthcare services for low-income and uninsured individuals at no expense to taxpayers. While this program is a lifeline to safety net hospitals, Critical Access Hospitals (CAHs), children's hospitals and other Illinois providers who care for a large number of low-income and uninsured patients, there are ongoing efforts to drastically limit the program. Specifically, some federal policymakers have joined the pharmaceutical industry in calling for a change in the statutory intent of the program, establishing new onerous reporting requirements and limiting the scope of the program.

IHA is partnering with the American Hospital Association (AHA) to aggressively defend the 340B program and oppose efforts to scale it back. Accordingly, IHA endorses the AHA's Good Stewardship Principles, which seek to better communicate the value of the program and provide uniform metrics that describe how savings from this program are used to support vulnerable communities.

The 340B Good Stewardship Principles

- Communicate the Value of the 340B Program: The hospital commits to preparing and publishing a narrative, on an annual basis, that describes how it uses 340B savings to benefit its community. The narrative would address those programs and services funded, in whole or in part, by 340B savings, including those services that support community access to care that the hospital could not continue without 340B savings.
- Disclose Hospital's 340B Estimated Savings: The hospital commits to publicly disclosing, on an annual basis, its 340B estimated savings calculated using a standardized method.
- Continue Rigorous Internal Oversight: The hospital commits to continuing to conduct internal reviews to ensure that the hospital 340B program meets the Health Resources and Services Administration's program rules and guidance.

To sign the Good Stewardship Principles and access guidance documents and instructions, please <u>click here</u>. All 340B participating hospitals are eligible to sign the principles.

AHA members may access a template to calculate estimated 340B savings <u>here</u>, and a template to communicate the value of the 340B program <u>here</u>.

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