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Are Discounts in the 340B Drug Discount Program Being Shared with Patients at Contract Pharmacies?

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Key points

Importance: The 340B Drug Discount Program is a federal program in which manufacturers provide Medicaid-like discounts on covered outpatient drugs to qualifying hospitals and clinics. Although manufacturers supplied \$93.6B of discounted product to 340B hospitals and clinics in 2021, little is known about whether there's any direct benefit to 340B patients filling prescriptions.

Objective: To test whether 340B discounts are directly shared with patients by studying the impact of 340B eligibility on patient out-of-pocket costs at contract pharmacies.

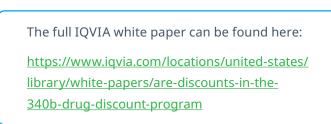
Design: A method for estimating 340B eligibility was developed and applied to IQVIA pharmacy claims data. In addition, we developed a method for identifying claims using a 340B prescription discount card, which is offered by third-party administrators and designed to share 340B discounts with patients.

Data sources: The study spanned 12 months and used a national sample of pharmacy claims for branded, patient-administered drugs.

Results: The only claims segment displaying substantial evidence of patient discount-sharing was the 1.4% of branded, 340B-eligible claims at contract pharmacies that used a 340B discount card. Here, patient out-of-pocket costs were reduced by 92.9%, with a mean reduction in patient out-of-pocket costs for 30 days of therapy of \$661.65.

Conclusions: These study findings demonstrate that 340B discount sharing with patients at the point of sale at contract pharmacies is possible, but that a potential solution—340B discount cards—has not been widely adopted.





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