

# The Cost of 340B to Connecticut

*In 2025, workers and employers lost \$222 million in negotiated rebates to 340B*

Despite advocates’ claims that the 340B program is free, it raises costs for patients, employers, state and local governments, Medicare, and managed Medicaid. One way it increases costs is by displacing the negotiated rebates that are used to lower net drug prices. Research by IQVIA shows that workers and employers lost \$14.5 billion in rebates nationally in 2025 due to 340B.<sup>1</sup> The cost to Connecticut workers and employers in 2025 was \$222 million.

## Cost of 340B to Connecticut workers and employers

| PER BENEFICIARY | PLAN TYPE                             | TOTAL COST |
|-----------------|---------------------------------------|------------|
| \$114           | Private sector employees <sup>2</sup> | \$194M     |
|                 | Government employees <sup>3</sup>     | \$28M      |
|                 | Total                                 | \$222M     |

The cost of 340B to Connecticut has increased substantially in recent years due to program growth. From 2023 to 2025, the number of healthcare providers prescribing 340B drugs and the value of 340B drug purchases both increased while the number of 340B facilities fell slightly.

## 340B growth in Connecticut: 2023 to 2025

| 340B PRESCRIBERS |        | 340B FACILITIES <sup>4</sup> |        | 340B DRUG PURCHASES <sup>5</sup> |        |
|------------------|--------|------------------------------|--------|----------------------------------|--------|
| #                | GROWTH | #                            | GROWTH | #                                | GROWTH |
| 20,413           | +13%   | 211                          | -3%    | \$3 billion                      | +53%   |

340B utilization in Connecticut is about the same as neighboring states, which all have elevated levels compared to national average, indicating a strong 340B presence in the whole region.

## Connecticut vs. neighbors

| STATE    | 340B UTILIZATION <sup>6</sup> | COST PER BENEFICIARY |
|----------|-------------------------------|----------------------|
| CT       | 20%                           | \$114                |
| MA       | 21%                           | \$124                |
| NY       | 17%                           | \$97                 |
| RI       | 23%                           | \$131                |
| Total US | 14%                           | \$81                 |

1. The cost of 340B to states. IQVIA. 2026 (to appear).  
2. Includes employer-sponsored plans and ACA health plans.  
3. Includes state and local government employees.  
4. Based on 340B “parent” facilities, not satellite sites or contract pharmacies.  
5. 340B drug purchases at Wholesaler Acquisition Cost (WAC).  
6. Percentage of 340B business by state, averaged over drug purchases and claims.