

The Cost of 340B to Illinois

In 2025, workers and employers lost \$503 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.¹ The cost to Illinois workers and employers in 2025 was \$503 million.

Cost of 340B to Illinois workers and employers

PER BENEFICIARY	PLAN TYPE	TOTAL COST
\$71	Private sector employees ²	\$443M
	Government employees ³	\$60M
	Total	\$503M

340B also displaces rebates in managed Medicaid, which cost the state of Illinois \$286M in 2025.

Cost of 340B to Illinois managed medicaid

PER BENEFICIARY	STATE'S TOTAL COST
\$148	\$286M

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

340B Growth in Illinois: 2023 to 2025

340B PRESCRIBERS		340B FACILITIES ⁴		340B DRUG PURCHASES ⁵	
#	GROWTH	#	GROWTH	#	GROWTH
233,389	+30%	3,261	+8%	\$5.7 billion	+45%

Illinois has lower 340B utilization than neighboring states, leaving substantial headroom for growth as large hospital systems and contract pharmacy networks continue to expand their footprint in the state.

Illinois vs. neighbors

STATE	340B UTILIZATION ⁶	COST PER BENEFICIARY
IL	12%	\$71
WI	22%	\$126
IA	23%	\$134
IN	14%	\$83
Total U.S.	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.