

The Cost of 340B to Montana

In 2025, workers and employers lost \$95 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 Montana workers and employers in 2025 was \$95 million.

Cost of 340B to Montana workers and employers

PER BENEFICIARY	PLAN TYPE	TOTAL COST
\$165	Private sector employees ²	\$81M
	Government employees ³	\$14M
	Total	\$95M

The cost of 340B to Montana 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 decreased slightly.

340B growth in Montana: 2023 to 2025

340B PRESCRIBERS		340B FACILITIES ⁴		340B DRUG PURCHASES ⁵	
#	GROWTH	#	GROWTH	#	GROWTH
5,700	+11%	277	-11%	\$820 million	+63%

340B utilization varies markedly across Montana and neighboring states, underscoring that the program's financial burden is not borne uniformly.

Montana vs. neighbors

STATE	340B UTILIZATION ⁶	COST PER BENEFICIARY
MT	29%	\$165
ID	27%	\$153
WY	6%	\$37
ND	40%	\$233
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.