

## **340B Financial Impact on Private Employers & Employees**

Private Employee with High Deductible Insurance Plan Pays for Drug

**Private Employers Pay for Drug** 

First month payment

\$7,000



Annual payment

\$7,0504

First month payment

\$0



Annual payment

\$77,019



BUT the Hospital Buys the Drug at a Discount which Can Range Depending on the Drug



\$1,750 Discounted drug price per month<sup>1</sup>





**.01¢**Discounted drug price per month<sup>2</sup>

## **◯** The Hospital Profit Can Range⁵ **◯**

Monthly Profit Per Prescription \$4,135



Annual Profit Per Prescription

\$49,620



Monthly Profit Per Prescription

\$5,885



Annual Profit Per Prescription

\$70,620

The Pharmacy Profits

Pharmacy Dispensing Fee Per Month<sup>3</sup>

\$1,115



Pharmacy Dispensing Fee Per Year

\$13,380

# PIONEER INSTITUTE PUBLIC POLICY RESEARCH

#### SOURCES

- 1 Medication 340B Price 75%: https://www.drugchannels.net/2020/07/how-hospitals-and-pbms-profitand html
- 2 Medication 340B Price Penny Pricing: www.finance.senate.gov/imo/media/doc/AbbVie%20Responses.pdf

### Learn more at pioneerinstitute.org/340babuse/

- 3 Pharmacy Charge: https://www.drugchannels.net/2024/01/drug-channels-news-roundup-january-2024.html
- 4 Plan Max OOP cost: https://www.healthsystemtracker.org/brief/aca-maximum-out-of-pocket-limit-is-growing-faster-than-wages/
- 5 Hospital Profit = (Employee + Employer payment to the Hospital) Discounted Acquisition Cost of the Drug to the Hospital Contract Pharmacy Reimbursement