

## 340B in Alabama

### Key Points

- ▶ Alabama's low-income taxpayers are required to utilize for-profit pharmacies in California and Michigan.
- ▶ PBM owned pharmacy has the most number of contracts benefiting from federal program intended to support needy Alabama taxpayers.
- ▶ 49% of the contract pharmacies intended to serve poor patients in Alabama are located in affluent neighborhoods.
- ▶ Alabama 340B hospitals (2.65%) provide more charity care than the national average (2.15%).

**46% of 340B contract pharmacies for the Alabama hospitals with the most contract pharmacies are based outside the state. Some of the pharmacies are in California and Michigan.**

Top 5 Hospitals in Alabama	# of 340B Contract pharmacies	# of 340B Contract Pharmacies outside the State Lines
Jackson Hospital and Clinic Inc	108	47 (44%)
Huntsville Hospital	101	17 (17%)
USA Health University Hospital	81	45 (56%)
USA Health Children's and Women's Hospital	66	42 (64%)
East Alabama Medical Center	46	33 (72%)

**Top 340B contract pharmacies supposedly serving Alabama needy patients are owned by PBMs and for profit pharmacy chains.**

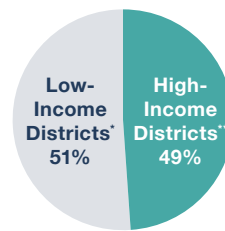
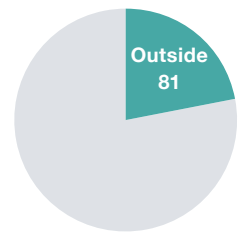
Top 5 340B Pharmacies with Most Contracts in Alabama	PBM Owned Pharmacy	Chain Pharmacy
Procare Pharmacy, LLC	✓ (CVS Health)	
Optum Pharmacy 705, LLC	✓ (Optum/United Healthcare)	
Publix Alabama Inc.		✓
Walgreen Co		✓
Abbeville Pharmacy		

**Top Alabama hospital with the highest operating expenses eligible for 340B discounts provides more charity care than the state and national averages.**

Top Alabama 340B Hospital with The Highest Operating Expenses	Charity Care
University of Alabama Hospital	3.76%

**22% of 340B pharmacies supposedly serving poor patients in Alabama are located outside the state.**

- Total number of contract pharmacies intended to serve needy patients in Alabama – **361**
- Number of contract pharmacies intended to serve Alabama's needy patients that are located outside of Alabama – **81**

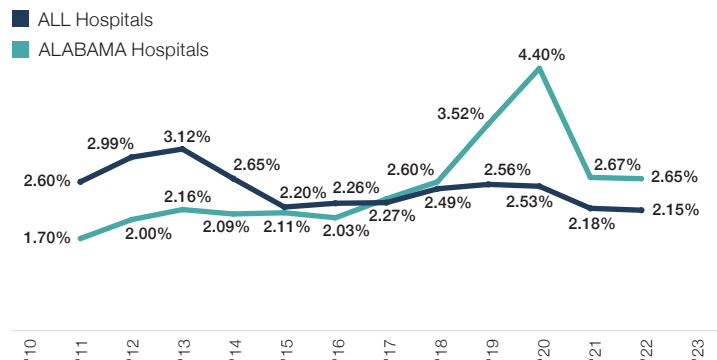


**49% of 340B pharmacies supposedly serving the poor are in affluent neighborhoods in Alabama.**

- **15.6%** of the population living in poverty

\* **Low-Income Districts:** house districts where the percentage of the population living in poverty is above the average state poverty percentage  
 \*\* **High-Income Districts:** house districts where the percentage of the population living in poverty is below the average state poverty percentage

### Cost of Charity Care as a Share of Operating Expenses - All vs Alabama 340B Reporting Hospitals



### Charity Cost Ratios for Insured and Uninsured Patients State: Alabama, Hospitals: All

