

340B in Arizona

Key Points

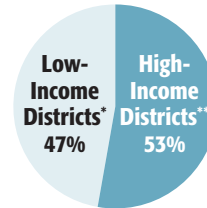
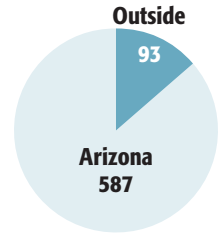
- ▶ **Arizona's low-income taxpayers are required to utilize for-profit pharmacies in Massachusetts.**
- ▶ **PBM owned pharmacy has the most number of contracts benefiting from federal program intended to support needy Arizona taxpayers.**
- ▶ **More than half of the contract pharmacies intended to serve poor patients in Arizona are located in affluent neighborhoods.**
- ▶ **Arizona 340B hospitals (2.09%) provide less charity care than the national average (2.28%).**

29% of 340B contract pharmacies for one the top Arizona hospitals with the most contract pharmacies are based outside the state. Some of the pharmacies are in Massachusetts.

Top 5 Hospitals in Arizona	# of 340B Contract Pharmacies	# of 340B Contract Pharmacies outside the State Lines	Farthest 340B Pharmacy Location Serving Arizona Patients
Honorhealth John C. Lincoln Med Ctr	256	55 (21%)	Massachusetts (2649 miles)
Banner – University Medical Center South	155	46 (30%)	Massachusetts (2649 miles)
Banner - University Medical Center Tucson	143	46 (32%)	Massachusetts (2649 miles)
Maricopa County Special Health Care District	142	45 (32%)	Massachusetts (2649 miles)
Banner – University Medical Center Phoenix	135	46 (34%)	Massachusetts (2649 miles)

16% of 340B pharmacies supposedly serving poor patients in Arizona are located outside the state.

- Total number of contract pharmacies intended to serve needy patients in Arizona – 587
- Number of contract pharmacies intended to serve Arizona's needy patients that are located outside of Arizona – 93



53% of 340B pharmacies supposedly serving the poor are in affluent neighborhoods in Arizona.

- 12.5% 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

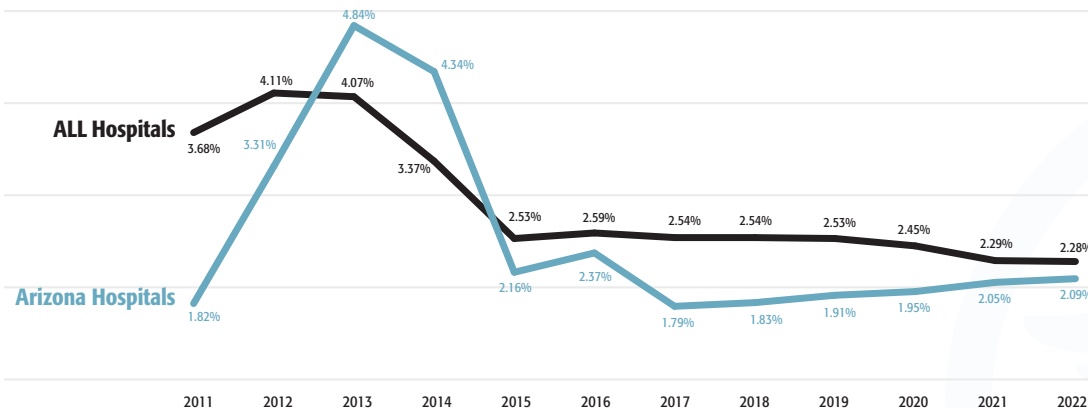
Top 340B contract pharmacies supposedly serving Arizona needy patients are PBM owned

Top 5 340B Pharmacies with Most Contracts in Arizona	PBM Owned Pharmacy	Chain Pharmacy
Accredo Health Group Inc	✓ (ESI/Cigna)	
Optum Pharmacy 801, Inc.	✓ (Optum/United Healthcare)	
Esi Mail Pharmacy Service	✓ (Express Scripts)	
Walgreens Mail Service, LLC		✓
Walgreens.com, Inc.		✓

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

Top Arizona 340B Hospital with The Highest Operating Expenses	Charity Care
Banner – University Medical Center Phoenix	1.4%

Average Charity Care Ratio - All vs. Arizona Hospitals



2022
Total Cost of Charity Care
\$16,002,540,724