

340B in California

Key Points

- ▶ **California's low-income taxpayers are required to utilize for-profit pharmacies in Florida.**
- ▶ **Pharmacy Benefit Management (PBM) owned for-profit contract pharmacies benefit from a federal program intended to support low-income California taxpayers.**
- ▶ **More contract pharmacies intended to serve poor patients in California are located in affluent neighborhoods.**
- ▶ **California 340B hospitals (1.57%) provide less charity care than the national average (2.28%).**

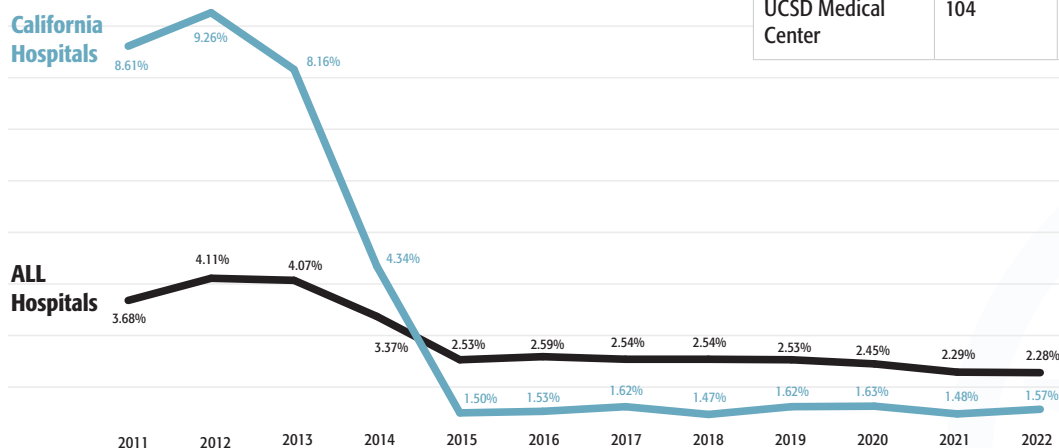
Top 340B contract pharmacies supposedly serving California low-income patients are owned by for profit PBMs.

Top 5 340B Pharmacies with Most Contracts in California	PBM Owned Pharmacy	Chain Pharmacy
Caremark, L.L.C.	✓ (Caremark/CVS Health)	
Optum Pharmacy 707, Inc.	✓ (Optum/United)	
Bioplus Specialty Pharmacy Services, LLC		
OptumRx	✓ (Optum/United)	
Optum Pharmacy 806, Inc.	✓ (Optum/United)	

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

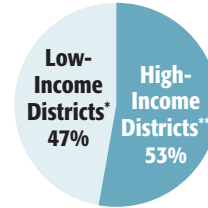
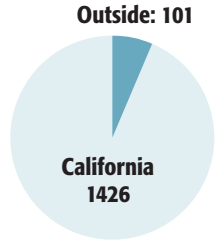
Top California 340B Hospital with The Highest Operating Expenses	Charity Care
Stanford Health Care	0.2%

Average Charity Care Ratio - All vs. California Hospitals



7.1% of 340B pharmacies supposedly serving poor patients in California are located outside the state.

- Total number of contract pharmacies intended to serve low-income patients in California – 1426
- Number of contract pharmacies intended to serve California's low-income patients that are located outside of California – 101



Over 50% of 340B pharmacies supposedly serving the poor are in affluent neighborhoods in California.

- 12.2% 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

26% of 340B contract pharmacies for the California hospitals with the most contract pharmacies are based outside the state. Some of the pharmacies are in Florida.

Top 5 Hospitals in California	# of 340B Contract Pharmacies	# of 340B Contract Pharmacies outside the State Lines	Farthest 340B Pharmacy Location Serving California Patients
UCI Medical Center	245	49 (20%)	Florida (2635 miles)
University Of California Davis Medical Center	242	51 (21%)	Florida (2635 miles)
UCSF-Medical Center	214	50 (23%)	Florida (2635 miles)
Ronald Reagan UCLA Medical Center	134	54 (40%)	Florida (2635 miles)
UCSD Medical Center	104	38 (37%)	Florida (2635 miles)

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