

340B in Indiana

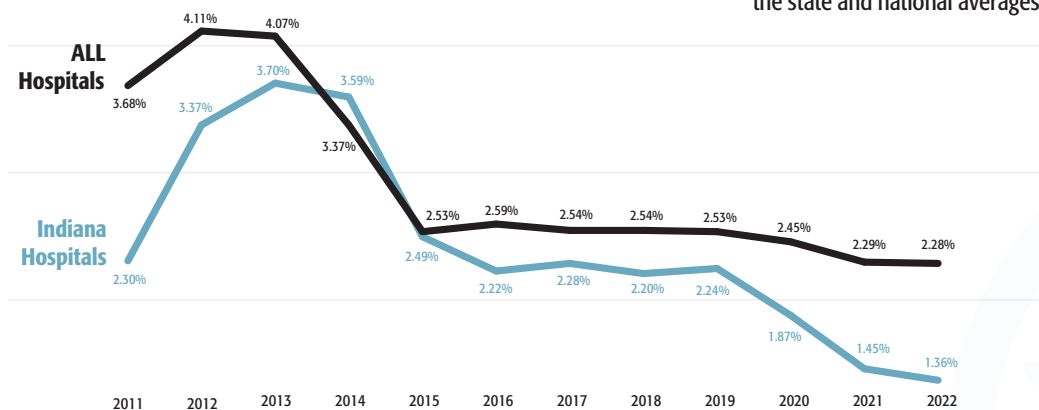
Key Points

- ▶ **Indiana's low-income taxpayers are required to utilize for-profit pharmacies in Hawaii and California.**
- ▶ **Pharmacy Benefit Management (PBM) owned pharmacies benefit from a federal program intended to support low-income Indiana taxpayers.**
- ▶ **More than half of Indiana contract pharmacies intended to serve poor patients in Indiana are located in affluent neighborhoods.**
- ▶ **Indiana 340B hospitals (1.36%) provide less charity care than the national average (2.28%).**

32% of 340B contract pharmacies for the Indiana hospitals with the most contract pharmacies are based outside the state. Some of the pharmacies are in Hawaii and California.

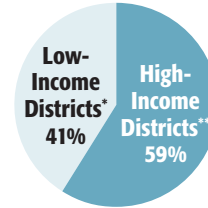
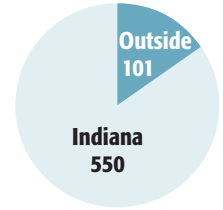
Top 5 Hospitals in Indiana	# of 340B Contract Pharmacies	# of 340B Contract Pharmacies outside the State Lines	Farthest 340B Pharmacy Location Serving Indiana Patients
Community Health Network, Inc	145	29 (20%)	California (1882 miles)
The Methodist Hospitals	88	28 (32%)	Hawaii (4338 miles)
Franciscan Health Michigan City	78	23 (29%)	Hawaii (4338 miles)
Deaconess Hospital	75	44 (59%)	Hawaii (4338 miles)
Franciscan Health Indianapolis	69	20 (29%)	Hawaii (4338 miles)

Average Charity Care Ratio - All vs. Indiana Hospitals



18% of 340B pharmacies supposedly serving poor patients in Indiana are located outside the state.

- Total number of contract pharmacies intended to serve low-income patients in Indiana – 550
- Number of contract pharmacies intended to serve Indiana's low-income patients that are located outside of Indiana – 101



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

- 12.6% 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

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

Top 5 340B Pharmacies with Most Contracts in Indiana	PBM Owned Pharmacy	Chain Pharmacy
Optum Pharmacy	✓ (Optum/United Healthcare)	
Accredo Health Group	✓ (Express Scripts/Cigna)	
Express Scripts Pharmacy	✓ (Express Scripts/Cigna)	
Accredo Health Group	✓ (Express Scripts/Cigna)	
Meijer Stores Limited Partnership		✓

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

Top Indiana 340B Hospital with The Highest Operating Expenses	Charity Care
Indiana University Health Inc	1.0%

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