

340B in Kentucky

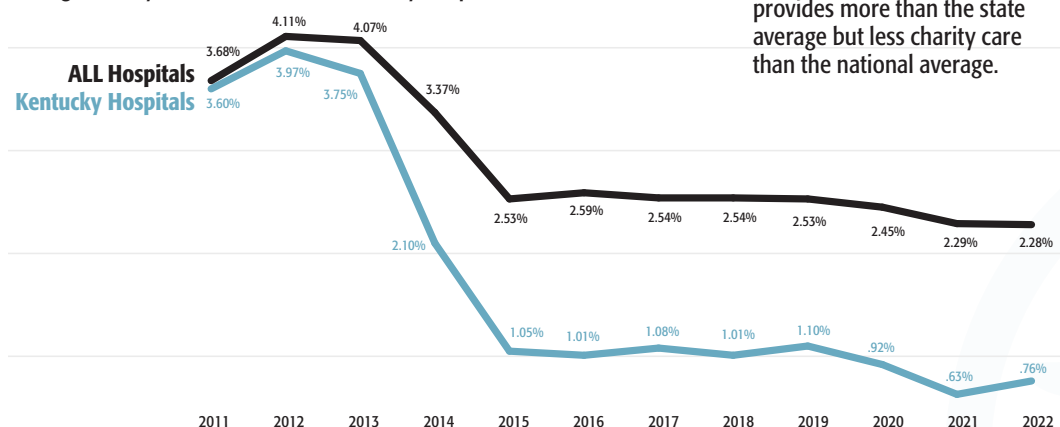
Key Points

- ▶ **Kentucky's low-income taxpayers are required to utilize for-profit pharmacies in Hawaii and California.**
- ▶ **For profit chain drug store contract pharmacies benefit from a federal program intended to support low-income Kentucky taxpayers.**
- ▶ **42% of contract pharmacies intended to serve poor patients in Kentucky are located in affluent neighborhoods.**
- ▶ **Kentucky 340B hospitals (0.76%) provide less charity care than the national average (2.28%).**

50% of 340B contract pharmacies for the Kentucky hospitals with the most contract pharmacies are based outside the state. Some of the pharmacies are in Hawaii and California.

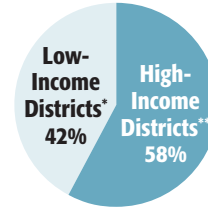
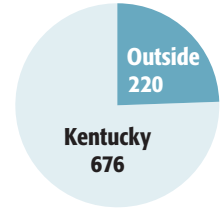
Top 5 Hospitals in Kentucky	# of 340B Contract Pharmacies	# of 340B Contract Pharmacies outside the State Lines	Farthest 340B Pharmacy Location Serving Kentucky Patients
Norton Hospitals, Inc.	177	74 (42%)	Hawaii (4419 miles)
University of Kentucky	142	35 (25%)	California (1969 miles)
Baptist Health Lagrange	128	54 (42%)	Hawaii (4419 miles)
Arh Mary Breckinridge Health Services, Inc.	108	88 (81%)	Hawaii (4419 miles)
Hazard ARH Regional Medical Center	106	78 (74%)	Hawaii (4419 miles)

Average Charity Care Ratio - All vs. Kentucky Hospitals



33% of 340B pharmacies supposedly serving poor patients in Kentucky are located outside the state.

- Total number of contract pharmacies intended to serve low-income patients in Kentucky – 676
- Number of contract pharmacies intended to serve Kentucky's low-income patients that are located outside of Kentucky – 220



42% of 340B pharmacies supposedly serving the poor are in affluent neighborhoods in Kentucky

- 16.5% 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 in Kentucky serving low-income patients are owned by for profit retail chain drug stores.

Top 5 340B Pharmacies with Most Contracts in Kentucky	PBM Owned Pharmacy	Chain Pharmacy
Sina Drug LLC		✓
Option Care Enterprises, Inc.		✓
St. Matthews Specialty Pharmacy		
Walgreen Co.		✓
Kentucky Central Fill Facility, L-010		

Top Kentucky hospital with the highest operating expenses eligible for 340B discounts provides more than the state average but less charity care than the national average.

Top Kentucky 340B Hospital with The Highest Operating Expenses	Charity Care
Norton Hospitals, Inc.	0.9%

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