

## 340B in Pennsylvania

### Key Points

- ▶ **Pennsylvania's low-income taxpayers are required to utilize for-profit pharmacies in Hawaii and California.**
- ▶ **Pharmacy Benefit Management (PBM) owned and chain drug store contract pharmacies benefit from a federal program intended to support low-income Pennsylvania taxpayers.**
- ▶ **More than half of contract pharmacies intended to serve poor patients in Pennsylvania are located in affluent neighborhoods.**
- ▶ **Pennsylvania 340B hospitals (0.95%) provide less charity care than the national average (2.28%).**

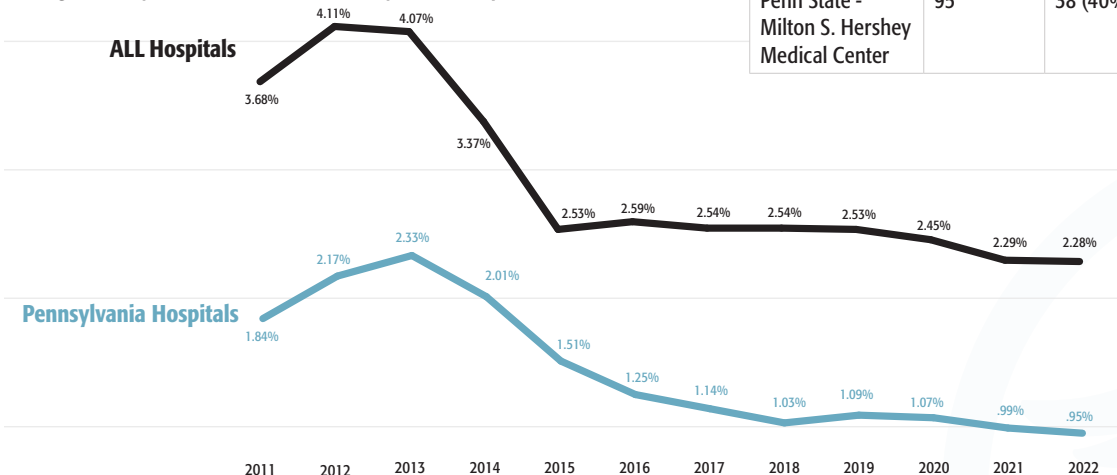
Top 340B contract pharmacies in Pennsylvania serving low-income patients are owned by for profit PBMs and retail chain drug stores.

Top 5 340B Pharmacies with Most Contracts in Pennsylvania	PBM Owned Pharmacy	Chain Pharmacy
Accredo Health Group Inc	✓ (ESI/Cigna)	
Procure Pharmacy Direct, L.L.C.	✓ (Caremark/CVS Health)	
Walgreens Specialty Pharmacy LLC		✓
CVS Caremark	✓ (Caremark/CVS Health)	
Optum Infusion Services 305, LLC	✓ (Optum/United)	

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

Top Pennsylvania 340B Hospital with The Highest Operating Expenses	Charity Care
Lehigh Valley	0.8%

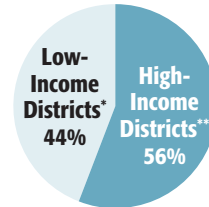
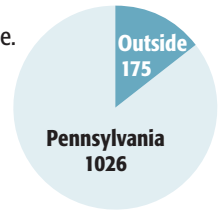
Average Charity Care Ratio - All vs. Pennsylvania Hospitals



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

17% of 340B pharmacies supposedly serving poor patients in Pennsylvania are located outside the state.

- Total number of contract pharmacies intended to serve low-income patients in Pennsylvania – 1026
- Number of contract pharmacies intended to serve Pennsylvania's low-income patients that are located outside of Pennsylvania – 175



More than half of 340B pharmacies supposedly serving the poor are in affluent neighborhoods in Pennsylvania.

- 11.8% 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

33% of 340B contract pharmacies for the Pennsylvania hospitals with the most contract pharmacies are based outside the state. Some of the pharmacies are in Hawaii and California.

Top 5 Hospitals in Pennsylvania	# of 340B Contract Pharmacies	# of 340B Contract Pharmacies outside the State Lines	Farthest 340B Pharmacy Location Serving Pennsylvania Patients
Thomas Jefferson University Hospital	200	80 (40%)	Hawaii (4818 miles)
UPMC - Presbyterian Shadyside	191	38 (20%)	Hawaii (4818 miles)
Lehigh Valley	113	37 (33%)	Hawaii (4818 miles)
Holy Redeemer Hospital	109	41 (38%)	California (2683 miles)
Penn State - Milton S. Hershey Medical Center	95	38 (40%)	California (2683 miles)