

## 340B in Tennessee

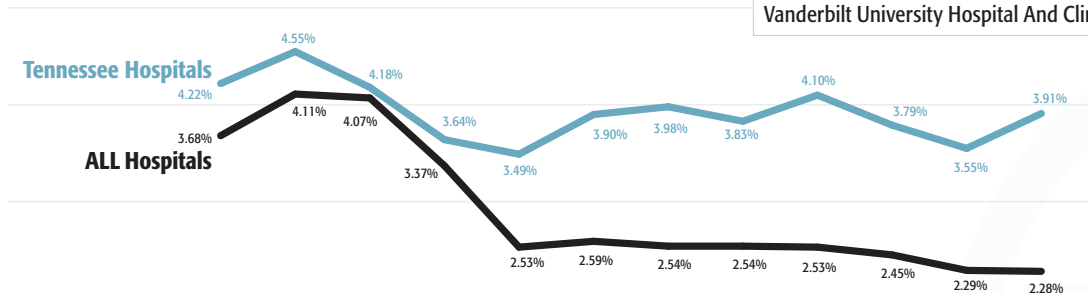
### Key Points

- ▶ **Tennessee's low-income taxpayers are required to utilize for-profit pharmacies in California.**
- ▶ **PBM owned pharmacy has the most number of contracts benefiting from federal program intended to support needy Tennessee taxpayers.**
- ▶ **46% of the contract pharmacies intended to serve poor patients in Tennessee are located in affluent neighborhoods.**
- ▶ **Tennessee 340B hospitals (3.91%) provide more charity care than the national average (2.28%).**

35% of 340B contract pharmacies for the top Tennessee hospitals with the most contract pharmacies are based outside the state. Some of the pharmacies are in California.

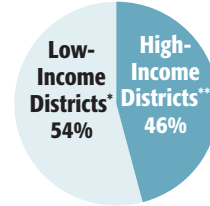
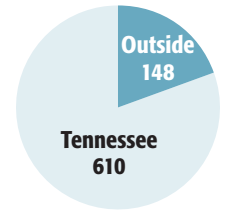
Top 5 Hospitals in Tennessee	# of 340B Contract Pharmacies	# of 340B Contract Pharmacies outside the State Lines	Farthest 340B Pharmacy Location Serving Tennessee Patients
Vanderbilt University Medical Center D/B/A Vander-Bilt University Hospital And Clinic	260	62 (24%)	California (2275 miles)
Regional One Health	175	81 (46%)	Hawaii (4331 miles)
Methodist Healthcare - Memphis Hospitals	161	67 (42%)	California (2275 miles)
Erlanger Health	124	56 (45%)	California (2275 miles)
Baptist Mem Hospital Memphis	93	18 (19%)	Michigan (534 miles)

Average Charity Care Ratio - All vs. Tennessee Hospitals



24% of 340B pharmacies supposedly serving poor patients in Tennessee are located outside the state.

- Total number of contract pharmacies intended to serve needy patients in Tennessee – 610
- Number of contract pharmacies intended to serve Tennessee's needy patients that are located outside of Tennessee – 148



46% of 340B pharmacies supposedly serving the poor are in affluent neighborhoods in Tennessee.

- 13.3% 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 pharmacy supposedly serving Tennessee needy patients is PBM owned.

Top 5 340B Pharmacies with Most Contracts in Tennessee	PBM Owned Pharmacy	Chain Pharmacy
Accredo Health Group Inc	✓ (ESI/Cigna)	
Caremark Tennessee Specialty Pharmacy, L	✓ (Caremark/CVS Health)	
Optum Pharmacy 705, LLC	✓ (OptumRX/United Healthcare)	
Walgreens #21389		✓
Accredo Health Group Inc	✓ (ESI/Cigna)	

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

Top Tennessee 340B Hospital with The Highest Operating Expenses	Charity Care
Vanderbilt University Medical Center D/B/A Vanderbilt University Hospital And Clinic	1.7%

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