

340B in Tennessee

Key Points

- ▶ Tennessee's low-income taxpayers are required to utilize for-profit pharmacies in California.
- ▶ PBM owned pharmacies have the most number of contracts benefiting from a federal program intended to support needy Tennessee taxpayers.
- ▶ 55% of the contract pharmacies intended to serve poor patients in Tennessee are located in affluent neighborhoods.
- ▶ Tennessee 340B hospitals (4.51%) provide more charity care than the national average (2.15%).

34% 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
Vanderbilt University Medical Center D/B/A Vanderbilt University Hospital And Clinic	259	62 (24%)
Regional One Health	174	80 (46%)
Methodist Healthcare - Memphis Hospitals	129	55 (43%)
Erlanger Health	117	51 (44%)
Baptist Mem Hospital Memphis	93	18 (19%)

Top 340B contract pharmacy supposedly serving Tennessee needy patients is PBM owned.

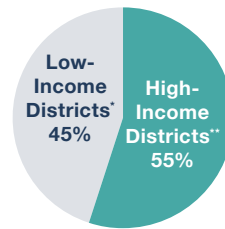
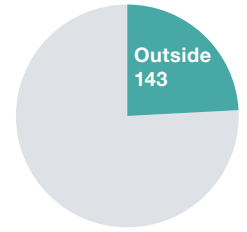
Top 5 340B Pharmacies with Most Contracts in Tennessee	PBM Owned Pharmacy	Chain Pharmacy
Accredo Health Group Inc	✓ (ESI/Cigna)	
Caremark Tennessee Specialty Pharmacy, L	✓ (Caremark/ CVS Health)	
Optum Pharmacy 705, LLC	✓ (OptumRX/ United Healthcare)	
Walgreens #21389		✓
Walgreens Co		✓

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	1.73%

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 – **600**
- Number of contract pharmacies intended to serve Tennessee's needy patients that are located outside of Tennessee – **143**

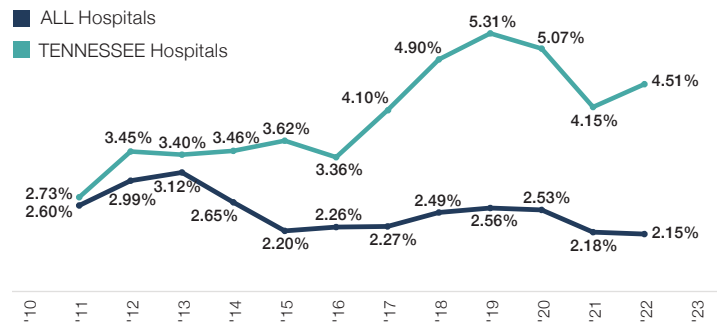


55% of 340B pharmacies supposedly serving the poor are in affluent neighborhoods in Tennessee.

- **14.0%** 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

Cost of Charity Care as a Share of Operating Expenses - All vs Tennessee 340B Reporting Hospitals



Charity Cost Ratios for Insured and Uninsured Patients State: Tennessee, Hospitals: All

