

## 340B in Texas

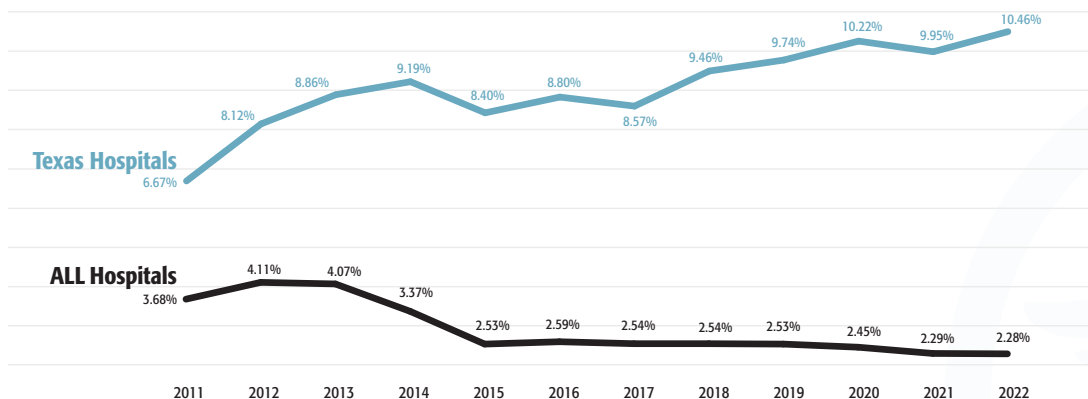
### Key Points

- ▶ **Texas's low-income taxpayers are required to utilize for-profit pharmacies in Massachusetts.**
- ▶ **PBM owned or for profit drug stores have the most number of contracts benefiting from federal program intended to support needy Texas taxpayers**
- ▶ **53% of the contract pharmacies intended to serve poor patients in Texas are located in affluent neighborhoods.**
- ▶ **Texas 340B hospitals (10.46%) provide more charity care than the national average (2.28%).**

16% of 340B contract pharmacies for the top Texas hospitals with the most contract pharmacies are based outside the state. Some of the pharmacies are in Massachusetts.

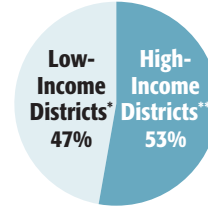
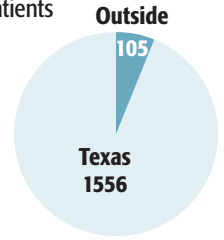
Top 5 Hospitals in Texas	# of 340B Contract Pharmacies	# of 340B Contract Pharmacies outside the State Lines	Farthest 340B Pharmacy Location Serving Texas Patients
Methodist Dallas Medical Center	207	34 (16%)	Massachusetts (1761 miles)
Cook Children's Medical Center	204	35 (17%)	Massachusetts (1761 miles)
Methodist Charlton Medical Center	176	34 (19%)	Massachusetts (1761 miles)
Tarrant County Hospital District D/B/A JPS Health Network	168	26 (15%)	Massachusetts (1761 miles)
Memorial Hermann Hospital System	161	20 (12%)	Michigan (1185 miles)

### Average Charity Care Ratio - All vs. Texas Hospitals



7% of 340B pharmacies supposedly serving poor patients in Texas are located outside the state.

- Total number of contract pharmacies intended to serve needy patients in Texas – 1556
- Number of contract pharmacies intended to serve Texas's needy patients that are located outside of Texas – 105



53% of 340B pharmacies supposedly serving the poor are in affluent neighborhoods in Texas.

- 14% 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 Texas needy patients are owned by PBMs or for profit chain drug stores.

Top 5 340B Pharmacies with Most Contracts in Texas	PBM Owned Pharmacy	Chain Pharmacy
Wal-Mart Central Fill 10-2670		✓
Walgreens Specialty Pharmacy LLC		✓
Cystic Fibrosis Services, LLC		
CVS/Specialty or Carelonrx Specialty Pha	✓ (Caremark/CVS Health)	
Optum Pharmacy 704, Inc.	✓ (Optum/United Healthcare)	

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

Top Texas 340B Hospital with The Highest Operating Expenses	Charity Care
Dallas County Hospital District DBA Parkland Health	27%

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