

340B HELPS KIDS

2024

The 340B Drug Pricing Program supports safety net providers, such as children's hospitals, in their mission to serve low-income, uninsured, and under-insured patients. Under the 340B program, hospitals that treat a large number of low-income patients can purchase outpatient drugs at lower prices, freeing up resources to support hospital operations and provide services to their patients.

54

children's hospitals currently participate in the 340B Program.*

In 2021, Medicaid underpaid the 340B children's hospitals by **\$3.6B***

Children's hospitals use the 340B savings to help offset low Medicaid reimbursement. 340B savings are also used to subsidize part of the cost of providing critical services that benefit the local communities these hospitals serve. Examples include:



Behavioral health services



Annual flu vaccinations



Hemophilia treatment centers



Affordable prescription drugs



Children's hospitals are safety net providers that treat children regardless of their abilities to pay.



Children's hospitals care for a high percentage of low-income children. On average, more than half of the patients treated at children's hospitals are covered by Medicaid.



Medicaid provides health care coverage for low-income adults and children. Medicaid pays providers lower than other forms of health insurance. Study by Kaiser shows that Medicaid pays 72% of Medicare.

Protect 340B. Actions that threaten 340B hurt kids.

*54 340B children's hospitals were identified using the Health Resources and Services Administration's Office of Pharmacy Affairs 340B OPALIS database. Medicaid shortfall is calculated using data from [communitybenefitinsight.org](https://www.communitybenefitinsight.org). Data is only available for 40 of the 54 340B children's hospitals.