



## Press Release

# The 340B Drug Pricing Program: Challenges and Solutions

PAULINA ENCK | SEPTEMBER 13, 2022

Congress established the 340B Drug Pricing Program in 1992 to increase access to care at reduced costs for patients. In new research, Health Care Policy Analyst Jackson Hammond explores the problems with the 340B Program, considers the consequences of the program's pitfalls, and offers potential solutions.

### Key points:

- The 340B Drug Pricing Program has grown dramatically since its inception, and especially in the years following the passage of the Affordable Care Act.
- While the program has increased hospital profits, it has arguably failed to accomplish its supposed goal of counteracting a side effect of the Medicaid Best Price rule which ended manufacturers' charitable donations of medicine to hospitals.
- Reforming 340B will require a clear statutory purpose for the program, increased transparency and accountability measures, and more explicit guidance around how 340B savings may be used by covered entities.

[\*Read the analysis\*](#)