



340B Advocacy Toolkit

Encourage Staff to Sign Up to be a Community Health Center Advocate

Community Health Centers (CHC) are the backbone of our nation's primary health care system and critical to strengthening our communities. CHC staff can be a part of the movement to ensure comprehensive care and services to our neighbors by signing up to be an advocate to support the health center community today at www.hcadvocacy.org/join. We need your support in helping keep our doors open!

Millions of patients' lives are at stake across the country. Health center operations and budgets face devastation amid an overwhelming public health pandemic. Community Health Centers invest the savings from the federal 340B discount drug program into essential services that are not always reimbursed by federal health programs or insurance. NACHC (National Association of Community Health Centers) estimates that 10 million patients (about half the population of New York) with low incomes will suffer reduced access to health center services and affordable medicine unless Health and Human Services acts now to address the prescription drug manufacturers' threats to the 340B Drug Pricing program. We encourage you to act using the resources in this toolkit to help protect the 340B program.

Do's and Don'ts of 340B Messaging

Do:

- Stick to FACTS.
- Describe how these changes and threats impact patients and CHCs, specifically your CHC.
- Reinforce that CHCs follow the intent of the program to reinvest savings in care for patients.

Do NOT:

- Do NOT use shorthand to refer to 340B savings as "funds," "income," or "revenue" for CHCs (because they are not.)
- Do NOT mention a pharmaceutical company by name.
- Do NOT refer to "Big Pharma."

Sample Video Script – It's Time to Tell Your Story!

NACHC believes in the power of personal appeal. We hope many people on your team will record an advocacy video for social media. There is power in numbers. Below is a sample script along with tips on taking a good video with your smartphone (or Zoom). When you post on social media, make sure to **tag your member of Congress, your PCA (Primary Care Association), NACHCACHC ([Facebook](#)/[Twitter](#))**, and **local media**. For instructions on uploading a video to a business page on Facebook, click [here](#).

Consider sharing a patient testimonial. If you would prefer to do a video with a friend, click [here](#) for a sample script. Remember to include:

- Your name, profession/role, and health center name
- Brief background on your health center
 - Where you are located,
 - populations you serve— see examples below

- migratory/farm workers
- people experiencing homelessness
- people with chronic conditions such as diabetes, heart disease
- Racial/ethnic minorities
 - how long you have served your community
- What is the 340B program?
- What services and/or programs have you had to cut because of manufacturer restrictions? Give specific examples.
- If you lost 340B savings, what programs would you have to cut?
- What other sources of funding do you have that supports programs funded by 340B savings?
- Urge for support of PROTECT 340B Act
 - Refer to the Talking Points above for ideas

Video Tips

1. **Test, test, test.** Always record a 10-second test with the setup you will be using to film your full-length video. It will help you see if there are any issues with lighting, background, or audio and fix them before you film the full video.
2. **Keep it steady.** If you have a tripod, a selfie stick, or even a stack of books, that will be better than holding the phone in your hand. If you can ask a friend or coworker to hold it, that works, too.
3. **Do NOT use the zoom function on your camera.** Physically move the camera forward or backward to make sure you are in the center of the shot. The built-in zoom only enlarges the picture digitally, which will make the video look grainy or pixelated.
4. **Find good lighting.** Try to film in natural light. You can position yourself facing a window and use the sun.
5. **Keep it horizontal.** Because your videos will be used on social media, you want to make sure you are shooting the format native to the platform.
6. **Find a backdrop.** Your video will look best in front of a solid-colored background, if possible.
7. **Poor camera or no tripod? Use Zoom!** You can use Zoom and your computer to record a video if that is easier for you. Click [here](#) to learn how to do it.

Sample Social Media Posts

Below, you will find sample social media posts that you can customize for your health center. We recommend utilizing the graphics in your posts. (We have graphics available that you can use.) As a reminder, you should always **tag your members of Congress** [TAG MOCs] in your post so that they can see your messages. If you have questions, contact grassroots@nachc.org.

Social Media Graphics – [available here](#)

340B Advocacy Page - <https://www.hcadvocacy.org/340b-advocacy/>

340B Email your MOCs Page - <https://www.hcadvocacy.org/340b-advocacy/email/>

Sample Tweets and Facebook Messages:

Hashtags (*NOTE: best practice on Twitter is to limit hashtags to no more than 3*): #Protect340B #ValueCHCs

- Each day, patients go without vital medications because of the prohibitive cost of prescription drugs. The #340B program enables health centers to provide patients with the most effective medication at affordable prices. #340B savings are reinvested to increase access to affordable, comprehensive care for all patients. #Protect340B #ValueCHCs [TAG MOCs]

- Congress created the #340B program to help safety net providers provide pharmacy services and comprehensive care to the most medically-underserved communities. The 340B program helps health centers fulfill their mission to provide care to all individuals, regardless of their ability to pay.
- Since 2020, drug manufacturers have refused to ship vital 340B medications to our contract pharmacies. As health centers continue to fight COVID-19 on the front lines, we are losing critical 340B savings that enable health centers to serve all people, regardless of their ability to pay. Tell @hhs.gov to use its authority to #Protect340B and #ValueCHCs. [TAG MOCs]
- Community Health Centers reinvest #340B savings into their community. #340B savings help build new centers, pay for patient transportation, hire more clinicians, fund innovative technology, engage with people experiencing homelessness, and care for uninsured patients. #Protect340B #ValueCHCs [TAG MOCs]
- Millions of low-income patients will suffer reduced access to health center services and affordable medicine unless @hhs.gov acts now to protect the federal #340B drug discount program. #Protect340B #ValueCHCs [TAG MOCs]
- #RxDrug manufacturers are attacking the federal discount drug pricing program called #340B and are harming health centers and vulnerable patients. @hhs.gov: please use your authority to #Protect340B and #ValueCHCs. [TAG MOCs]

Op-Ed Template and Writing Tips and Tricks

Do not underestimate the power of local media coverage. Op-Eds and Letters to the Editor in local publications can generate new audiences for your messages and can catch the eye of your Members of Congress. We encourage you to check out this [Op-Ed Tips and Tricks](#) worksheet to help you get started. Also, check out our [Op-Ed writing workshop recording](#) for more information on how to begin writing and pitching op-eds. As always, please feel free to reach out to the Grassroots Advocacy Team at grassroots@nachc.org with any questions.

For your convenience, we are including this [op-ed template](#) to help you share your 340B story.

Additional Educational Resources and Templates

- [340B and FQHCs Overview](#) – one pager
- [Pick Pocketing Overview](#) – one pager
- [Additional 340B Advocacy Resources](#)
- [340B Anti-Discrimination Legislation Model Draft](#)
- [340B Sample Op-Ed \(State\)](#)

Talking Points on the 340B Program

How Patients Benefit from the 340B Program:

1. By law and statute, health centers are required to invest *every penny* of 340B savings into activities that expand access for their patients.
2. Health centers abide by that promise by using 340B savings to expand non-revenue generating services like clinical pharmacy programs, community health workers, specialty care services, and extended hours of operation to better meet patient needs.
3. The 340B program enables health centers to provide affordable discounted or free medications to uninsured or underinsured patients.

What is the 340B program?

1. The 340B Drug Pricing Program garnered bipartisan support in Congress and passed in 1992.
2. To have drugs reimbursed by Medicare and Medicaid, drug manufacturers must participate in the 340B program to provide discounts for their products to certain types of safety net providers, including Community Health Centers.
3. The program's purpose is to enable safety net providers "to stretch scarce Federal resources as far as possible, reaching more eligible patients and providing more comprehensive services."
 - a. Prior to 340B, most health centers were unable to offer affordable pharmaceuticals to patients given their lack of market power to negotiate discounts from the sticker price.
 - b. When the 340B program was created, most eligible safety-net providers did not have in-house pharmacies. Legislative history demonstrates Congress anticipated the use of contract pharmacies to serve patients.

Duplicate Discounts and How CHCs Do Their Part:

1. Duplicate discounts occur when manufacturers are asked to provide both a 340B price and a Medicaid rebate on the same unit of a drug.
2. Community Health Centers strive to prevent duplicate discounts by doing several things, including:
 - a. Ensuring Medicaid billing numbers and National Provider Identifier numbers are correct in both the Office of Pharmacy Affairs database and the Medicaid Exclusion File to avoid accidental double charging.
 - b. Performing ongoing internal audits of both their in-house and contract pharmacies.
 - c. Providing necessary documentation when resolving a claim to identify it as "340B."

Talking Points on the PROTECT 340B Act

1. Health centers rely on the 340B program to provide patients with access to affordable medications and comprehensive health services like dental care, behavioral health, and other specialty care.
2. **Why we need the 340B Act:** Everyone wants a slice of the 340B savings pie. There is no recourse when Pharmacy Benefit Managers (PBMs) and insurers treat 340B pharmacies differently or lower their reimbursement because of their 340B status. The PROTECT 340B Act will prohibit health insurers and PBMs from redirecting our 340B savings to their pocket, a practice that has increased significantly over the last few years.
3. **What does the 340B Act do:** This legislation protects against discriminatory practices by PBMs like pickpocketing our 340B savings to make up for their lost revenue, and from health insurers, in the commercial market, Medicare Part D, and managed care.
 - a. While the PROTECT 340B Act does not address the contract pharmacy issue, it is still connected. Covered entities would feel more comfortable sharing data if there were guarantees that PBMs would not retaliate against covered entities by taking away the discount when their rebates are cut by

manufacturers. Unfortunately, covered entities bear the consequence of being caught between manufacturers and PBMs.

4. **State-level legislation success:** This type of legislation has been successful in 17 states. All health centers and covered entities should have this protection; it should not depend on the state where you live.
5. **Transparency:** This bill provides the transparency that manufacturers are requesting through a third-party neutral clearinghouse to review data to prevent Medicaid duplicate discounts.

Issue-Specific 340B Talking Points

Medicare and Commercial Insurance Issues with the 340B Program:

1. **Duplicate discounts happen in commercial and Medicare Part D:** To increase sales of their drug products, drug makers agree to pay voluntary rebates to PBMs/payers for each unit of their drug that the PBM/payer covers.
 - a. Unlike Medicaid, there are no laws or regulations that prohibit claiming a 340B price and manufacturer rebate on the same drug.
 - b. PBMs receive manufacturer rebates in exchange for drug formulary placements and other incentives. They are not tied to making drugs “cheaper.”
2. If a drug maker does not know which drugs are sold under 340B, they end up providing both the voluntary rebate and the 340B discount on these drugs
 - a. **Why they want our claims data:** Drug manufacturers can see all the 340B claims and decide to stop selling them at a discount, circumventing the intent of the 340B program that provides health centers savings that then we pass on to our patients.

Manufacturer Restrictions and the Importance of Contract Pharmacies

1. **Manufacturer restrictions:** Since 2020, 16 drug manufacturers have restricted sales of 340B-priced drugs to covered entities’ contract pharmacies; 6 of those affect CHC grantees.
2. Manufacturers are holding 340B savings hostage by requiring Covered Entities (CE) to submit claims data if they want 340B priced drugs shipped to their contract pharmacies.
3. Recent history makes it clear that once manufacturers share this data with PBMs, PBMs will use it to deprive the CHC of its 340B savings.
4. **Importance of contract pharmacies:**
 - a) Health centers’ ability to use contract pharmacies is critical; contract pharmacies can enhance patient access to 340B drugs because they may be located more conveniently for the patient.
 - b) When an in-house pharmacy is too expensive for a CHC, using a Contract Pharmacy allows the health center to still offer pharmacy services to patients.
5. **Negative impact:** The harm caused by PBMs’ actions around 340B extends far beyond pharmaceuticals; it impacts underserved patients’ ability to access a wide range of health care services.

Anti-Discriminatory Contracting Legislation, The PROTECT 340B Act, and How PBMs Game the System

1. PBMs have no official role in the 340B program—they are not mentioned in the statute—yet they continue to pickpocket.
 - a. They discriminate against pharmacies that dispense drugs purchased under the 340B program.
 - b. They pick the intended 340B savings out of CHCs’ pockets through actions such as decreasing reimbursement for 340B drugs and charging different dispensing fees, chargebacks, and clawbacks.
 - c. They leverage unequal bargaining power and force health centers to enter contracts that keep CHCs from benefitting from Congress’ intended purpose of the program.
2. PBMS have been gaming the system and hurting CHCs by:

- a. Making up for the “lost” rebate: PBMs can lower reimbursement for the 340B drugs by using the information provided by the manufacturer regarding which claims were filled with 340B drugs to pinpoint claims that will receive lower reimbursement.
- b. Avoiding “losing” the rebate in the first place by instituting policies, including:
 - i. Refusing to include a pharmacy in its network if it dispenses any 340B drugs
 - ii. Imposing higher fees on pharmacies that dispense 340B drugs.
3. Efforts to combat anti-discriminatory contracting have been gaining traction at both the state and federal levels over the past few years.
4. State level legislation focuses on implementing protections against these discriminatory practices, prohibiting actions, including:
 - a. Reimbursing 340B covered entities at a rate lower than non-340B covered entities.
 - b. Assessing fees, chargebacks, or other adjustments on 340B-covered entities based on their participation in the program.
 - c. Requiring 340B covered entities to identify claims involving 340B drugs for payers other than Medicaid.
 - d. Restricting access or requiring participation in specific networks for any 340B covered entity.
 - e. Restricting the methods by which a 340B-covered entity may dispense or deliver 340B drugs.
5. National-level legislation: HR 4390, the PROTECT 340B Act
 - a. **Why we need the PROTECT 340B Act:**
 - i. Everyone wants a slice of the 340B savings pie.
 - ii. There is no recourse when PBMs and insurers treat 340B pharmacies differently or lower their reimbursement because of their 340B status.
 - iii. The PROTECT 340B Act will prohibit health insurers and PBMs from redirecting our 340B savings to their pocket, a practice that has increased significantly over the last few years.
 - b. **What does the 340B Act do:** This legislation protects against discriminatory practices by PBMs like pickpocketing our 340B savings to make up for their lost revenue, and from health insurers, in the commercial market, Medicare Part D, and managed care.
 - c. While the PROTECT 340B Act does not address the contract pharmacy issue, it will address part of the problem. Covered entities would feel more comfortable sharing data if there were guarantees that PBMs would not retaliate against covered entities by taking away the discount when their rebates are cut by manufacturers. Unfortunately, covered entities bear the consequence of being caught between manufacturers and PBMs.
 - d. **Transparency:** This bill provides the transparency manufacturers want through a third-party neutral clearinghouse to review data to prevent Medicaid duplicate discounts.

Medicaid Carve Out Pharmacy Benefit into Fee-for-Service

1. **Background:** States have the option to allow managed care organizations to manage the Medicaid pharmacy benefit (carving it in). If a state delegates the pharmacy benefit to managed care, CHCs can use 340B drugs for managed care patients and receive the 340B price.
2. **An uptick in interest to carve out pharmacy benefits:** Over the last several years, states such as California and New York have fought to prevent the pharmacy benefit from being carved out of managed care and moved back into fee-for-service. State motivations include:
 - a. The state wants to eliminate or otherwise significantly curb the role of PBMs in managing their Medicaid prescription drug benefit.
 - b. The state wants to remove managed care from the entirety of its Medicaid program.
 - c. The state wants rebates on 340B-eligible drugs to flow to its state Medicaid budget rather than to 340B covered entities.

3. Due to the Center for Medicaid and Medicare Services (CMS) regulation, state Medicaid agencies cannot pay more than the ceiling price for 340B drugs reimbursed through fee for service (FFS).

Unintended consequence:

- a. A state's decision to carve the pharmacy benefit out of managed care and transitioned back into FFS means health centers will lose 340B savings on managed care drugs. This impacts health centers because it eliminates the 340B savings that are otherwise allocated to support vital services.
 - b. Because over 60% of CHC patients have Medicaid, this will negatively affect a health center's finances due to lost managed care 340B savings.
 - c. They need to maintain separate inventories for 340B-eligible patients and their Medicaid patients
4. **Negative impacts on the patient:** By carving out the pharmacy benefit, Community Health Centers will lose savings, meaning the health center may have to make cuts to certain enabling services or adjust hours of operation to keep their doors open.