

Congress of the United States
House of Representatives
Washington, DC 20515-0552

Dear 340B grantees,

There is a lot of misinformation sowing confusion about what my bill, the 340B PAUSE Act, does and doesn't do. I'm writing to give you the facts.

I have been, and continue to be, an unwavering advocate of the 340B program and that is precisely why I believe it must be preserved, strengthened, and protected from those bad actors who seek to take advantage of it.

The 340B drug discount program is one of Congress' significant bipartisan achievements. Since 1992, the program has provided community health centers, AIDS clinics, and other safety-net organizations access to life-saving drugs at reduced prices. However, as many of you know, the program has been under attack for a long, long time and many in Congress have called for a complete overhaul of the program. In fact, a newly published study in *The New England Journal of Medicine* found strong evidence that some Disproportionate Share Hospitals (DSH) are abusing the program. My concern is that if we continue down a path of ignoring these growing concerns, the program could be in jeopardy. That is why I joined my Republican colleague in introducing the 340B PAUSE Act to make the program, more transparent in a rapidly evolving healthcare environment.

My bill does not kick any hospitals that currently participate out of the program, nor does it place additional burdens or restrictions on Ryan White HIV/AIDS clinics, family planning clinics, Rural Health Centers, or other program grantees.

To strengthen the program, I am asking for a temporary pause on new hospitals entering the 340B program. Why? Because the program's future is not safe until there is bipartisan agreement that the funds are properly allocated, that there is no abuse, and the program is being used, as intended. The PAUSE Act is intended to start a conversation. While the legislation has sparked a constructive dialogue among key stakeholders, the conversations must continue. I look forward to working with the 340B community to protect providers and the patients who rely on 340B every day.

Finally, one thing that needs to be done now is to roll back the ill-advised cuts in Medicare Part B payments to 340B hospitals before they do harm. That is why I have cosponsored H.R. 4392, a bill that would permanently reverse these cuts, and I have been calling on leaders in both parties to make sure it is enacted as soon as possible. In September, I was one of 228 members to oppose cuts to Medicare reimbursement to 340B hospitals.

In December, I led another letter with 19 members to oppose these cuts.

If you have any questions, doubts, or just want to let me know what's on your mind, please feel free to call my office or send us an email. I encourage you to take a look at the bill or check out my website for more information.

Sincerely,



Scott Peters
Member of Congress