

340B Drug Discount Program:

How California CCHCs Use Savings to Expand Services for Low Income Patients

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The 340B prescription drug program enables health centers to stretch scarce federal resources to underserved patients and provide comprehensive services beyond the reach of the Medi-Cal program. It is a vital lifeline for safety-net providers across the state.

By law, and by mission, health centers invest 340B savings into activities that advance their goal of ensuring affordable access to critical health services for medically underserved patients.

Real life examples of how 340B cost savings are used by community clinics and health centers include:

*** Data collected from a member survey conducted in the Winter of 2018.*

- ***Ensure that medications and primary care are affordable for low-income patients:***
 - Provide low cost or free medications to all low-income patients who are uninsured and under-uninsured.
 - Ensure that all health center services are available to persons below 100% of poverty for no more than a nominal fee; ensure that patients between 101 – 200% of poverty are charged on a sliding fee scale.
 - Subsidize and pay deductibles related to the cost of care for homeless and low income patients.

- ***Expand access to medications and other services:***
 - Establish and support in-house pharmacies, including extended pharmacy hours and pharmacy staff.
 - Support automated systems that electronically dispense prescribed medication to patients in remote areas.
 - Support mail-order prescription delivery programs for patients.
 - Open new service delivery sites in underserved or unserved areas, including rural locations.
 - Sustain innovative programs that are medication heavy, like SART (sexual assault response team).
 - Fund behavioral health, OB/GYN, and dental services that are co-located and help create a continuum of care for patients.
 - Expand and create primary care provider teams (physician, medical assistant and care coordinator)

- ***Support non-billable services that lead to improved health outcomes:***
 - Non-billable providers supported by 340B savings include Ambulatory Care Pharmacists who conduct medication therapy and management services, care coordinators, dietitians, registered nurses, medical assistants, health coaches, dental assistants, care managers, and community health workers.
 - Support the Patient Centered Medical Home Initiative, which includes case management and care coordination, nurse triage and specialty referral support.
 - Robust care coordination for HIV and Hepatitis C patients, as well as STI prevention (PrEP and PEP).
 - Charity Care Programs, including Diabetes education and nutrition classes, legal advocacy, food pantries, transportation services, transitional housing and other enabling services.
 - Population health and chronic care management services for chronically ill patients, including asthma.
 - Support services offered to students at school-based health center sites.
 - Health fairs, education, outreach, and care beyond the four walls of the clinic.
 - Help cover costs for participating in Telemedicine

- ***Develop and support infrastructure necessary to care for underserved populations***
 - Modernize IT infrastructure, including electronic health records.
 - Provide capital to expand capacity, such as building additional exam rooms.
 - Sustain quality management programs and departments that are responsible for collecting, analyzing, and reporting data.
 - Training employees to use data to improve clinical and operational measures.