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March 19, 2024

Honorable Susan Donovan
Chair
House Health and Human Services Committee
Rhode Island General Assembly
82 Smith Street
Providence, RI 02903

Dear Chairman Donovan and Members of the Health and Human Services Committee:

Please accept the Rhode Island Health Center Association's letter of **support** for **House Bill 7879**. This bill protects the 340B Program, a program that is essential to the community health centers that RIHCA supports.

The 340B Program requires drug manufacturers to offer discounted prices to safety net providers, such as community health centers. This results in revenue to community health centers as insurers reimburse for the drugs at their regular rates. Revenue generated by the 340B Program is absolutely essential to community health centers' ability to keep their doors open and support the services their patients need. Community health centers are required, by law and regulation, to invest every penny of 340B savings into expanding access for their patients.

When drug manufacturers unilaterally decide to limit community health centers' access to contract pharmacies or when pharmacy benefit managers (PBMs) decrease reimbursements for 340B drugs only, it is the health centers' patients who suffer. H7879 protects community health centers and their patients against both these actions.

H7879 would prevent drug manufacturers from limiting which pharmacies community health centers can contract with under the 340B Program. Contract pharmacy restrictions mean that 340B savings are available from one pharmacy only. This limits 340B revenue and interferes with patients' access to their local pharmacy.

H7879 would also end "pick pocketing" tactics pharmacy benefit managers have used to divert 340B savings away from community health centers to themselves. With this bill, community health centers are not asking PBMs to treat them any better than other providers – just not to treat them worse. If PBMs take these 340B savings for themselves, they will be upending programs that community health center programs have relied on for 30 years.

We urge you to pass this bill. Rhode Island's eight community health centers provide medical, dental, and behavioral health care to over 200,000 individuals; 55% of patients are enrolled in Medicaid, and 90% are at or below 200% of the poverty level. About 9% of the health centers' patients cannot access health insurance, some of them due to immigration status. The 340B Program is essential to community health centers.

Thank you.

Elena Nicoletta

Elena Nicoletta President & CEO
Rhode Island Health Center Association

The Rhode Island Health Center Association is proud to support:
Blackstone Valley Community Health Care Inc. ~ Comprehensive Community Action Program
East Bay Community Action Program ~ Providence Community Health Centers
Thundermist Health Center ~ Tri-County Community Action
WellOne Primary Medical and Dental Care ~ Wood RiverHealth