



BIG HOSPITALS' 340B SCAM

The 340B program was intended to help hospitals serve low-income patients with affordable medicines. But many hospitals now exploit it to boost profits—leaving workers, unions and self-funded plans stuck with higher costs.

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Big hospitals enroll in 340B, often exploiting loose rules to claim eligibility.

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They prescribe 340B drugs to all patients even those with insurance.

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Despite purchasing drugs at 340B discounted prices, hospitals charge patients full price.

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They purchase drugs at deeply discounted 340B prices.

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They administer 340B drugs in-house or through external for-profit pharmacies.

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Big hospitals, PBMs, and for-profit pharmacies pocket the profits.

Who Pays the Price?

Self-Funded Plans Lose Manufacturer Rebates

Prescriptions filled at the 340B price often aren't eligible for rebates and discounts. This leaves unions paying the full, undiscounted price and forgoing valuable rebates that reduce costs.

Higher Premiums, Dues, and Costs for Union Members

Rising costs force unions to increase premiums, reduce benefits, and make difficult choices between employer spending for worker health benefits, pensions, and wages.



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