

PHARMACY CARE ----- FQHCs AND 340B PROGRAM



HISTORY OF 340B PROGRAM

- Initiated during Clinton administration
- **Who can participate? FQHC, Family Planning, Ryan White, Black Lung, Hemophilia, Urban Indian, Tuberculosis, DSH Hospitals Outpatient, STD, Hawaiian Health Centers**
- Newly eligible---Critical Access Hospitals, Rural Referral Centers, Sole Community Hospitals, Free Standing Cancer Hospitals, Children's Hospitals
- **What does 340B Program Provide? Low prices, revenue opportunities**
- How are prices derived?
- **What drugs are covered?**
- How good are the prices?

FQHC Participation in 340B

- Register with Office of Pharmacy Affairs
- Register with Prime Vendor
- Obtain an account with wholesaler



340B Legislation

- Intent was to provide low cost pharmaceuticals to uninsured, low-income patients and to create revenue for the entity.
- **Legislation states that pharmaceutical companies have to participate if they participate in state Medicaid programs.**
- Utilizes “best price” concept. Creates 50% discounts!
- **Penalizes pharmaceutical companies for increasing prices faster than inflationary rate.**
- **One cent prices!!!! Terrific savings opportunity!**
- **Created Prime Vendor whose function is to obtain prices better than 340B!**

Why Participate in 340B?

- Tremendous discounts on pharmaceuticals
- Discounts on other items through Prime Vendor
- Stretch dollars in order to serve vulnerable patients (low prices for uninsured)
- Create revenue for the entity.



340B Implementation Options

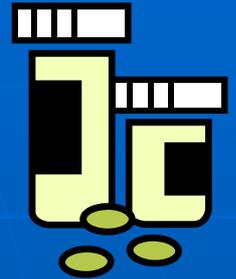
- Can utilize in-house pharmacy.
- Can utilize **Contract Pharmacy arrangement or Multiple Contract Pharmacies.**
- Can utilize in-house pharmacy and **Multiple contract pharmacies!**



Federal Office of Pharmacy Affairs

- Administers 340B Program
- Serves as Federal resource for pharmacy practice
- Develops innovative pharmacy service models and supports technical assistance.
- PSSC (Pharmacy Services Support Center)
- Patient Safety and Clinical Pharmacy Collaborative
- Developing a 340B Peer to Peer Program
- Developing 340B Institute through American Pharmacists Association.

Operating a 340B In-House Pharmacy



- Must have a sliding fee
- **Can operate with very low inventory**
- Can participate with N.C. Medicaid, Medicare Part D, and various private insurance plans
- **Have Pfizer Share the Care available**
- Astra-Zeneca has AZ&Me
- **Various manufacturer patient assistance programs.**

FQHC Pharmacy Operations

- Pay attention to uninsured patients.
- **340B Program makes it possible to bring low cost pharmaceuticals to low-income uninsured patients.**
- Stock a large number of medications with a very low inventory total.
- **Accept most third party plans as well as N.C. Medicaid.**
- Should not utilize federal funds to subsidize patients above 200% of poverty level.
- **Should provide discounts based on income to those between 100% and 200% of poverty level.**
- Should provide “full discount” or “nominal price” to those below 100% of poverty level.

Patient Safety and Clinical Pharmacy Services Collaborative

- HRSA initiative to improve patient safety issues and initiate greater level of clinical pharmacy services in the safety net environment.
- Great opportunity to change pharmacy practice in CHCs and to greatly enhance patient safety.
- Piedmont Health Services, Inc. has participated for 3 years.
- UNC School of Pharmacy has recently joined the Collaborative. 97 Schools of Pharmacy in U.S. involved!





340B Peer to Peer Program

- Effort by Pharmacy Services Support Center to reach more entities that need assistance with 340B.
- **Piedmont Health Services, Inc. was selected as one of eleven entities across the country to participate.**
- Goal is to assist other CHCs that need help.
- **No charge for services.**



340B Institute

- **Initiated by American Pharmacists Association to assist 340B entities, manufacturers, hospitals, etc. in navigating the 340B Program.**
- **Will charge for services based on how much time is involved and the level of expertise needed.**



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Future of 340B?



- **Every system wants it!**
- **Program may be in danger if we get block grants for Medicaid!**
- **Pharmaceutical industry does not want expansion!**
- **States would like more access to 340B for Medicaid pricing, prisons, etc.!**
- **CHCs would lose ability to supply uninsured at low prices!**



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