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The Best [#340B](#) Hearing—Ever

The recent hearing by the House Subcommittee on [#Oversight](#) and Investigations was balanced, constructive, and fair to all. It gives me real hope that it is possible to find consensus and to fix the program's issues without harming the [#safetynet](#).

"Mutuality": To the credit, generally, of both the subcommittee members and the witnesses, the hearing reflected, as one witness put it, a real sense of "mutuality". All of the members and the witnesses, with few exceptions, reflected a commitment to ensuring that the program continued in a meaningful way AND that abuses are addressed.

In addition, though not perfect, there was substantial effort to maintain the focus on the [#patient](#), including the need to ensure they receive a meaningful portion of the discount at the [#pharmacy](#) counter.

Hallelujah!

But there were "low lights".

The Lowest of the Low: Rep. Schakowsky (D-III), who appeared confused, made an outright false statement. She contended that a [#contractpharmacy](#) restriction meant that patients of a clinic had to travel "an hour" to secure any access to drugs and that, as a consequence, they "simply don't get [drugs] at all".

This is the false contention that a [#retailpharmacy](#) serving as a CP can only obtain [#access](#) to drugs when acting as a CP—demonstrably false.

No Federal Spending: Rep. Castor (D-FL) struck a misinformed note by repeating the (false) myth that 340B operates "without any federal spending". Castor was politely corrected by the witnesses, who spoke to how federal payers fund 340B profits through drug reimbursements.

Not a Good Look: Matt Perry, the CEO of a [#DSH](#) in Ohio, departed from all the other witnesses by resisting [#transparency](#). Asked by Rep Carter (R-GA) why he did not support the [#340BAccessAct](#)'s transparency proposal, Perry danced around the question and then said he opposed it because it supposedly "cherry picked" reporting measures.

Perry's testimony came off as discordant and evasive.

Not Adding Up: Perry's description of his facility's policies did not sound right. He said that its drug discount program applied up to 400% of the federal [#poverty](#) limit, generating \$3.5M in assistance. But he also stated that his institution secured \$56M a year in 340B profits.

That would mean that discounts for all patients up to 400% of FPL would be just 6.25% of profits or roughly a paltry 3.13% of reimbursements, which may explain why Mr. Perry opposes the 340B Access Act's [#transparency](#).

He also said that 340B profits supported a vast array of services—his hospital's trauma center, network of specialist [#physicians](#), doc recruitment, [#EHR](#) system, [#charitycare](#), [hashtag#Medicare](#) and [#Medicaid](#) shortfalls, and its [#oncology](#) center. Perry's implausible description of the use of 340B profits sounded like "creative accounting".