



340B LEGISLATIVE ACTION TALKING POINTS UPDATED FEBRUARY 23, 2023

Please use these talking points in meetings with your NYS Assembly Members and Senators. We need the Legislature to repeal or replace the carve out in their one house budgets. **Personalize these talking points to include impacts on your health center and patient population.**

- If the legislature does not include a fix in their one house budgets, the state will move the Medicaid pharmacy benefit from managed care to fee for service on April 1, 2023.
- This “carve out” will eliminate health centers’ ability to benefit from the Federal 340B drug discount program.
- Health centers ALONE will lose an estimated \$260M if the State proceeds with the pharmacy benefit carve out. This does not include impacts on non-health center Ryan White clinics, which is estimated at \$55M.
- Health centers rely on 340B to provide critical access to primary care, medications, and services to meet basic human needs (i.e., transportation and food) of New York’s most vulnerable and marginalized communities.
- Our communities were among the hardest hit by COVID-19. If we are forced to close sites and programs, impoverished Black and Brown communities, immigrants, and individuals with complex health needs will lose critical access to primary care and life-saving medications.
- According to a 2022 CHCANYS survey, in which 56 health centers responded, if the carve out is implemented:
 - 31% of health centers will close sites (including mobile and school-based sites);
 - 30% will reduce clinic hours;
 - 58% will reduce staffing; and
 - 49% will reduce number of patients served
- **Share information about how the impending carve out will affect your health center:**
 - Describe your health center and patient population
 - Describe the benefits to patients that you provide through 340B (ex: cheaper drugs, transportation vouchers, funding school-based health centers, etc.)
 - My health center would lose \$\$ that is reinvested into our communities
 - We will be forced to cut ## staff
 - We will no longer have name programming that serves ## patients
 - We will have to close ## sites that serve as critical sources of primary, behavioral health care and prenatal care in communities that otherwise would be unserved
- Although the Department of Health says they will hold health centers harmless against the financial impacts of the carve out, we have yet to see a proposal that will ensure we have reliable, sustained funding to continue our programs.
- It is impossible for the Health Department to implement a “make whole” solution by April 1 – and we will lose access to these funds immediately.
- Many of our questions around the State’s make whole proposal remain unanswered, like:
 - How will we be paid on April 1?
 - How will the payments be adjusted for inflation annually?
 - How will we increase the number of patients we serve?
 - What promises can be made about the long-term stability of the funding?
- 340B funds have enabled our organizations to go above and beyond for our communities. Now, the existence of these programs is threatened at a time when we are facing untenable increases in capital and workforce costs, the end of Federal COVID-relief dollars, and an unprecedented period of Medicaid eligibility redeterminations that will surely drive up the number of our patients who are uninsured.
- **Will you call on leadership to repeal and replace the carve in the one house budgets?**
- **Will you support the Paulin/Rivera bill?**