

# 340B Drug Pricing Program in Michigan

The 340B program is critical to eligible hospitals throughout Michigan. The program is more important than ever as drug prices are the most rapidly growing expense for hospitals. For the first time in history, the median price of a new drug is \$300,000 – more than four times the median annual household income in the U.S. The costs for new drugs launched by pharmaceutical companies rose by 35% from 2022 to 2023. As major purchasers of drugs, hospitals are forced to bear a significant burden of the rising costs. 340B helps hospitals navigate out of control drug costs and is an important tool to retain low cost access to care in communities across Michigan.

## What is 340B?

 The 340B drug pricing program allows covered safety net hospitals and other community care organizations to access certain outpatient prescription drugs at discounted prices. The program, created by Congress, has been an integral part of the fabric of healthcare financing since its inception in 1992 and does not require any state taxpayer dollars. Covered safety net providers have been able to drive savings from the program into their communities for more than 30 years, supporting access to care to Michigan's most vulnerable patients.

## Who is a 340B Covered Entity?

The 340B drug pricing program was designed to support the healthcare providers who serve patients in the most vulnerable communities with the ability to stretch scarce state and federal resources. The program's intent is fully realized through retention of important guideposts, like eligible covered entities. Hospitals considered covered entities include:



In addition, the program includes a number of community health centers and specialty clinics.

## How 340B Impacts Michigan Communities

Michigan's hospitals are anchor institutions in their communities, providing both economic vitality and access to healthcare. The 340B drug pricing program allows hospitals, both urban and rural, to support important community health needs. Examples include:

-  Supporting service lines, such as obstetrics or inpatient psychiatric care, that meet high community needs, but require large financial commitments.
-  Creating financial assistance programs for low-income patients.
-  Fund operating mobile health clinics.
-  Providing low-cost access to prescription drugs.

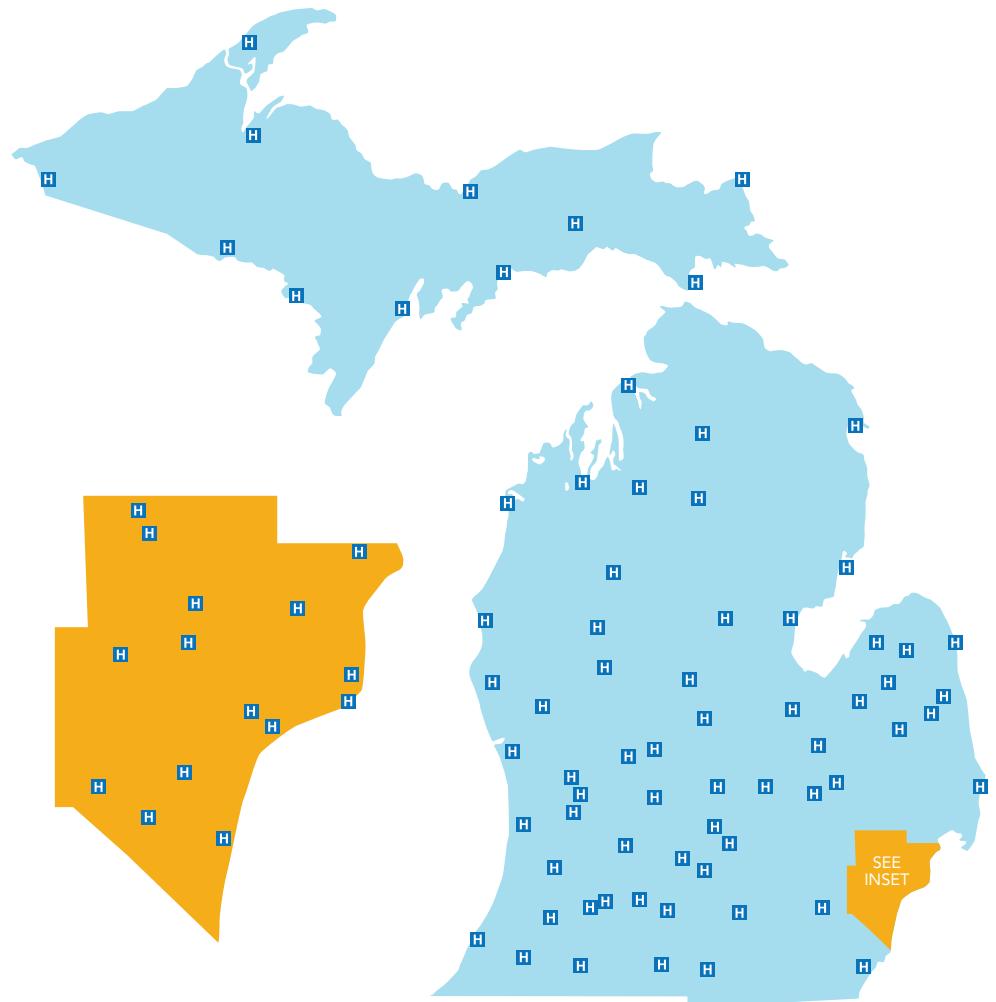
One of the greatest strengths of the 340B program is the flexibility it provides hospitals to invest savings back into local healthcare needs.



# Michigan's 340B Hospitals

340B hospitals and clinics are located throughout Michigan, including in many state legislative districts.

- Ascension Borgess Allegan Hospital
- Ascension Borgess Hospital
- Ascension Borgess - Lee Hospital
- Aspirus Iron River Hospital & Clinics, Inc.
- Aspirus Ironwood Hospital & Clinics, Inc.
- Aspirus Keweenaw Hospital
- Baraga County Memorial Hospital
- Beacon Health System - Three Rivers Health System, Inc.
- Bronson Battle Creek Hospital
- Bronson LakeView Hospital
- Bronson Methodist Hospital
- Corewell Health Beaumont Grosse Pointe Hospital
- Corewell Health Big Rapids Hospital
- Corewell Health Dearborn Hospital
- Corewell Health Farmington Hills Hospital
- Corewell Health Gerber Hospital
- Corewell Health Grand Rapids
- Corewell Health Greenville Hospital
- Corewell Health Lakeland Hospitals – St. Joseph Hospital
- Corewell Health Ludington Hospital
- Corewell Health Pennock Hospital
- Corewell Health Reed City Hospital
- Corewell Health Taylor Hospital
- Corewell Health Wayne Hospital
- Corewell Health William Beaumont University Hospital
- Covenant Medical Center
- Deckerville Community Hospital
- Eaton Rapids Medical Center
- Harbor Beach Community Hospital, Inc.
- Helen Newberry Joy Hospital & Healthcare Center
- Henry Ford Hospital
- Henry Ford Jackson Hospital
- Henry Ford Providence Southfield Hospital
- Henry Ford St. John Hospital
- Henry Ford Warren Hospital
- Henry Ford Wyandotte Hospital
- Hills & Dales General Hospital
- Hillsdale Hospital
- Holland Hospital
- Hurley Medical Center
- Kalkaska Memorial Health Center
- Karmanos Cancer Center
- Mackinac Straits Health System, Inc.
- Marquette Regional Hospital
- Marshfield Medical Center - Dickinson
- McKenzie Health System
- McLaren Caro Region
- McLaren Central Michigan
- McLaren Flint
- McLaren Greater Lansing
- McLaren Macomb
- McLaren Oakland
- McLaren Port Huron



- McLaren Thumb Region
- Memorial Healthcare - Owosso
- Munising Memorial Hospital
- Munson Healthcare Cadillac Hospital
- Munson Healthcare Charlevoix Hospital
- Munson Healthcare Grayling Hospital
- Munson Healthcare Otsego Memorial Hospital
- Munson Healthcare Paul Oliver Memorial Hospital
- Munson Medical Center
- MyMichigan Medical Center Alma
- MyMichigan Medical Center Alpena
- MyMichigan Medical Center Gladwin
- MyMichigan Medical Center Saginaw
- MyMichigan Medical Center Sault
- MyMichigan Medical Center Standish
- MyMichigan Medical Center Tawas
- Oaklawn Hospital
- O.S.F. St. Francis Hospital and Medical Group

- ProMedica Coldwater Regional Hospital
- ProMedica Monroe Regional Hospital
- Scheurer Health
- Schoolcraft Memorial Hospital
- Sheridan Community Hospital
- Trinity Health Grand Rapids Hospital
- Trinity Health Muskegon Hospital
- Trinity Health Oakland Hospital
- Trinity Health Shelby Hospital
- University of Michigan Health-Sparrow Clinton
- University of Michigan Health-Sparrow Eaton
- University of Michigan Health-Sparrow Ionia
- University of Michigan Health-Sparrow Lansing
- University of Michigan Health - West
- University of Michigan Health System