



# VOTE NO ON SENATE BILL 27

## THE ISSUE:

### DON'T TURN A WELL-INTENDED FEDERAL PROGRAM INTO A PBM GIVEAWAY

In recent years, 340B has exploded into the second largest federal drug program behind Medicare Part D, becoming less about patients and more about boosting the bottom lines of for-profit hospitals, chain pharmacies and pharmacy benefit managers (PBMs). This is not what Congress intended when they created this well-intended federal program in 1992.

## WHY IS SENATE BILL 27 A PROBLEM?

SB 27 would go far beyond existing federal law and define the term “contract pharmacy” while also mandating that manufacturers treat contract pharmacies the same as 340B hospitals and clinics. **This would accelerate the growth of 340B contract pharmacies, potentially hurting community pharmacies and giving big chains and PBMs’ more control of the program.** Kentucky lawmakers should also know that similar, unproven legislation is already facing significant legal challenges in Arkansas and Louisiana.

## SENATE BILL 27 WILL BENEFIT PBMS WHILE DOING NOTHING TO HELP KENTUCKIANS ACCESS CARE.

- **SB 27** will increase healthcare costs as contract pharmacies share in 340B revenues with no strings attached, including charging an uninsured individual the full cost of medicine.
- **SB 27** will allow PBMs and large, out-of-state chain pharmacies to siphon money out of the 340B for their own financial benefit. Kentucky has worked hard to rein in PBMs and create a more transparent health care system - now is not the time to reverse course!
- **SB 27** will not improve Kentuckians’ access to care. 340B was intended to help patients afford lifesaving prescriptions - not put more money in the pockets and increase vertical integration among big insurers, PBMs and chain pharmacies.

**Don't let a well-intended federal program meant for safety-net hospitals and clinics become a PBM giveaway!** Voting “NO” on SB 27 will protect economically disadvantaged Kentuckians ensuring the 340B program continues to serve them instead of PBMs and large, out-of-state chain pharmacies.

Kentucky is a leader in PBM reform. Lawmakers should be asking themselves: **Do we want a federal program meant for safety-net hospitals and clinics to become a PBM giveaway?**

# OPPOSE SENATE BILL 27