

Kearny County Hospital

Committee on Financial Institutions and Insurance,

As Chief Executive Officer and Chief Financial Officer of Kearny County Hospital, the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling our hospitals that they can only contract with one pharmacy.

When this happens, hospitals must choose one pharmacy for 340B. These actions hurt local pharmacies, and they also hurt patients. Kearny County Hospital serves a wide range of patients within western Kansas, serving patients from over 12 counties in western Kansas. These patients receive care at Kearny County Hospital for services not provided in their county but support their local pharmacies while continuing to fill/refill pharmaceuticals in their communities. Kearny County Hospital is currently contracted with 9 pharmacies through the 340B program, but through many pharmaceutical companies Kearny County Hospital is only eligible to participate with one pharmacy which has drastically reduced Kearny County Hospitals 340B income by almost 50%.

At Kearny County Hospital the 340B program not only keeps the doors open for rural healthcare in western Kansas but helps provide services such as labor and delivery that many in western Kansas are not able to sustain. In 2024, Kearny County Hospital delivered 364 babies! Kearny County Hospital has established a 340B Patient Assistance Program made possible by 340B funds to assist patients in need with medication assistance, durable medical equipment, transportation, food, housing infestations, and other social determinates of health.

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements that they already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.



Marley Koons
Chief Executive Officer/Chief Financial Officer
Kearny County Hospital
500 Thorpe Street
Lakin, KS 67860

March 13, 2025

Committee on Financial Institutions and Insurance,

As CFO, of Kingman Healthcare Center, the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling our hospitals that they can only contract with one pharmacy.

When this happens, hospitals have to choose one pharmacy for 340B. These actions hurt local pharmacies, and they also hurt patients.

Savings from the 340B program helps fulfill our mission. Without these savings:

- It would make it more difficult to provide charity care for underinsured and uninsured patients.
- The strain of low reimbursement from government sources would cause further financial difficulties.
- Investments in improving equipment, technology, facilities, and staff education would shrink. It's already difficult to find the capital to invest in technology. Reducing 340B savings would only exacerbate the problem.
- The quality of healthcare diminishes. As funding & low reimbursement takes its toll on the bottom line, there will be a direct correlation to the quality of life and life expectancy of rural Kansans.

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already historically large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements that they already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.

Sincerely,



Thad Turner, CFO

Kingman Healthcare Center

750 W. D Avenue, Kingman, KS 67068

Committee on Financial Institutions and Insurance,

As Finance Director of Kiowa District Hospital, the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling our hospitals that they can only contract with one pharmacy.

When this happens, hospitals have to choose one pharmacy for 340B. These actions hurt local pharmacies, and they also hurt patients.

At our hospital the following programs are supported through 340B savings:

Discounted Medication- We are able to provide discounted medication to our patients, helping to reduce the financial burden.

Community Health Programs- With the 340B savings, we are able to invest in the community health programs to help increase overall well-being.

Rural Health- 340B is so important to the financial stability of our rural hospital, as well as the savings ensures access to medication for our rural population.

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already historically large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements that they already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.

Sincerely,

Courtney Larson

Kiowa District Hospital

March 13, 2025

Subject: *Support for 340B Program*

Dear Kansas Legislator,

As CEO of Kiowa District Healthcare, I am writing today in support of Senate Bill 284. The 340B program is a critical component of providing patients with the care they need. As a healthcare leader in Kansas, I strongly believe that healthcare access is essential for our citizens, and the 340B program plays a vital role in ensuring that access for your constituents.

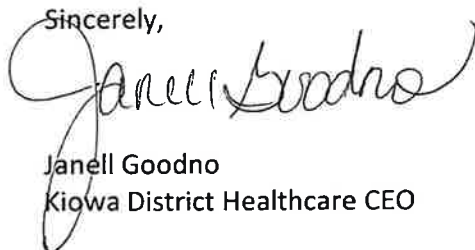
While legislature included protective language in the 2024 budget bill to safeguard local pharmacies, hospitals, and clinics, drug manufacturers have continued to exploit the lack of enforcement mechanisms. They are restricting hospitals to a single contract pharmacy, which directly harms both local pharmacies and the patients we serve.

These programs are at risk when hospitals are forced to choose only one pharmacy for 340B participation. Patients should not have their healthcare access determined by the unchecked decisions of drug manufacturers.

The Senate Financial Institutions and Insurance Committee has the opportunity to protect Kansas hospitals, clinics, and pharmacies—without additional cost to taxpayers—by ensuring drug manufacturers honor their federal agreements and provide 340B savings at all contract locations. Courts, including the U.S. Supreme Court, have upheld the rights of state legislatures to act on this issue, and dozens of other states have already implemented protections.

I urge you to support **Senate Bill 284** to uphold healthcare access and fairness for Kansas patients and providers.

Sincerely,



Janell Goodno
Kiowa District Healthcare CEO



Committee on Financial Institutions and Insurance,

As Pharmacist-in-Charge of both Kiowa County Pharmacy (independent retail) and Kiowa County Memorial Hospital (CAH hospital, Greensburg, KS) the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling our hospitals that they can only contract with one pharmacy.

When this happens, hospitals have to choose one pharmacy for each manufacturer's 340B contract. Although our community only has the population to support 1 local pharmacy, in our surrounding areas these actions hurt all of the local pharmacies, as well as the patients they serve. By restricting to one contract pharmacy, the hospital is limited on 340B savings generated by the program, the pharmacies who don't win the specific manufacturer contract miss out on those revenue streams, and when those pharmacies or hospitals close (and they are closing), patients lose access to coverage in severe and significant ways. They can't just walk down the street to the CVS next door. Or go to the hospital across town when they have their heart attack. Patients are left in healthcare deserts, often driving 30 miles or more for basic healthcare needs and emergencies alike. These patients are people who run businesses, pay taxes, and grow food for our nation. They are key to the overall economic health of the United States. And history has proven that they don't stay and work in communities where they have no healthcare safety net.

At our hospital the following programs are supported through 340B savings:

- Retail pharmacy OTC and RX vouchers to help uninsured and underinsured patients afford their otherwise unaffordable medications.
- The addition of a mobile clinic and midlevel provider, which now serves previous healthcare deserts in Bucklin and Haviland, KS.
- A safety net of funding to repair and replace pivotal equipment (such as in lab, radiology, the Emergency Department, and more). Our hospital, in addition to being a critical access hospital and serving people in remote rural areas, often sees large vehicle accidents involving people from all over the country, as we have two very busy intersecting highways one mile west of town.
- A safety net of funding to ensure our hospital and pharmacy do not close. All across the nation, rural hospitals and pharmacies alike are not financially feasible due to increasingly lower insurance



reimbursements, the increasingly higher number of underinsured and uninsured patients who cannot afford to pay for their services, and the ever increasing costs of literally everything needed to operate or employ for these services. If access to care ceases, communities die. If rural, particularly agricultural communities die, our nation's economy dies. The 340B program supports our local community, yes. But it is also a pivotal portion of our nation's economic infrastructure at this point. Without some other immediate, equal source of funding or way to ensure reasonable compensation for services to offset the loss of or restrictions to 340B, pulling this source of funding out from under these communities will financially cripple the economy far beyond our rural communities.

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already historically large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements that they already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.

Julie Keeton, PharmD Pharmacist-in-Charge, Kiowa County Memorial Hospital PIC, Owner, Kiowa County Pharmacy

Please do not hesitate to reach out to me with any more questions. My cell phone number is 785-218-8910, and my number at the retail pharmacy is 620-723-3112. Funding issues are very complex and difficult to squeeze into a 2 page letter. I'd be happy to answer any more in-depth questions you might have about 340B funding impacts, insurance reimbursement issues, or the many ways our specific community is worth saving.





HEALTH INNOVATIONS NETWORK OF KANSAS

1500 SW 10th Street
Topeka, KS 66604
(785) 354-6137
www.healthinnovationsnetworkofkansas.org

Committee on Financial Institutions and Insurance,

As Executive Director of the Health Innovations Network of Kansas, representing 15 hospital members in NE Kansas, the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling our hospitals that they can only contract with one pharmacy.

When this happens, hospitals have to choose one pharmacy for 340B. These actions hurt local pharmacies, and they also hurt patients.

Throughout our network's region, the following are representative of the various programs supported through 340B savings:

- Senior Life Solutions (Senior mental health program)
- Integrating Behavioral Health into our Primary Care Rural Health Clinics
- Lactation Support for New Moms
- Care Coordination for Patients with Chronic Health Issues
- Community Outreach to increase access to care for hard-to-reach populations such as farmers, dairy workers, truck drivers, and factory workers
- Community Health Workers to assist those without family or other support systems.

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already historically large profit margins of large pharmaceutical companies. You can do this at **no expense to the Kansas taxpayers**, by holding the drug companies to the agreements that they already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We strongly urge you to support Senate Bill 284.

Sarah Gideon
Executive Director
Health Innovations Network of Kansas

HING Vision Statement: Building strategic relationships in order to enhance quality, cost-effective healthcare services to the residents in our communities.



March 10, 2025

Committee on Financial Institutions and Insurance,

Please support Senate Bill 284 in an effort to protect access to healthcare in rural communities. The 340B program was signed into law in 1992 by President George H.W. Bush as a part of the Veterans Health Care Act of 1992, and it has served hospitals, patients, and communities well until the Pharmaceutical Industry decided during the COVID-19 Pandemic to unilaterally begin to change the rules and interpretations of the 340B program.

In its simplest of terms, the 340B program was intended to help rural hospitals stretch scarce federal resources through the use of NO Public Tax Dollars. While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have disregarded the legislative intent, and continued to exploit the lack of enforcement at the Federal level, by telling hospitals that they can only contract with ONE pharmacy.

When this happens, hospitals have to choose one pharmacy for 340B, and this hurts the hospitals, local pharmacies, and patients. For example, prior to September of 2020, Labette Health had 18 contract pharmacies, and these resources were used to help re-open an off-campus Emergency Room in Independence Kansas, where their hospital had closed three years earlier.

At our hospital the following programs are supported through the 340 B savings:

- Eleven Rural Health Clinics in communities as small as 911 in population
- Mobile Rural Health Clinic
- Off-Campus Emergency Room
- Birthing Center

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their 340B programs. Several courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to the 340B program are well within the bounds of state legislatures.

Your committee can protect our hospitals, pharmacies, clinics, and patients, and you can do this at no expense to any taxpayers, by holding the drug companies accountable to the agreements that they already made at the federal level when the program began in 1992, which was to provide the 340B savings to all contract pharmacy locations in Kansas in exchange for their medications being available to Medicare and Medicaid beneficiaries in our state.

Sincerely,

Brian A. Williams
President and CEO

Lincoln County Hospital

P.O. Box 406 North Second
Lincoln, Kansas 67455-0406

Ph.: (785)524-4403

Fax: (785) 524-3034

March 13, 2025

Dear Committee on Financial Institutions and Insurance,

The 340B program is a critical component in providing patients with the care that they need at Lincoln County Hospital. Kansas citizens are in need of healthcare access and the 340B program is an integral part of ensuring access to the patients we serve in our community.

The drug manufacturers have disregarded the legislative intent by telling hospitals that they can only contract with one pharmacy. I realize language in the 2024 budget bill in the legislature was to protect pharmacies, hospitals, and clinics, however when hospitals are required to choose one pharmacy for 340B, it hurts local pharmacies as well as the patients that we all serve.

Our hope is that the Senate Financial Institutions and Insurance Committee will join the other states that have already protected their 340B programs. The United States Supreme Court among lower courts have agreed that putting limitations on contracts are well within the bounds of state legislature.

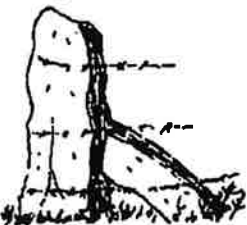
We are asking that your committee protect Kansas hospitals, clinics and local pharmacies rather than adding to the already astronomically large profit margins of large pharmaceutical companies. By holding the drug companies to the agreements that have already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout the state of Kansas we can continue to serve the needs of our community. This can all be accomplished with no cost to the Kansas taxpayers.

Our hope is that you will support Senate Bill 284.

Sincerely,



Tawnya Seitz, CEO / CFO





Lindsborg Community Hospital

 Salina Regional Health Center

*Partners caring for the health of
the Smoky Valley communities.*

TO: Members of the Senate Committee on Financial Institutions and Insurance

FROM: Mark Rooker
Administrator
Lindsborg Community Hospital

DATE: March 19, 2025

RE: SB 284 Proponent Testimony, Written Only

As the administrator of Lindsborg Community Hospital, I know how critical the 340B program is in ensuring our patients receive the care they need. For many Kansans, especially in rural communities, access to affordable healthcare depends on this program.

Despite the legislature's intent to protect local pharmacies, hospitals, and clinics through the 2024 budget bill, drug manufacturers have ignored these safeguards. Exploiting gaps in enforcement, they have imposed restrictions that force hospitals to contract with only one pharmacy under 340B.

These arbitrary limits put hospitals in an impossible position, forcing them to choose a single pharmacy—at the expense of both local businesses and the patients who rely on them. In a rural setting, the ability to serve the underserved population requires more than a single pharmacy to meet the needs of all patients. Patients shouldn't be punished for choosing to live rural. Allowing expanding pharmacy partnerships gives providers flexibility in choosing pharmacies that align with our patients, who are also our mothers, fathers and children.

At Lindsborg Community Hospital, 340B savings directly support essential services such as charity care assistance for the uninsured, and fall prevention courses for seniors, safe sitter courses for junior high and high school students, and support for students doing clinicals, including LPN, RN, PA, APRN and MD.

We urge the Senate Financial Institutions and Insurance Committee to act, as other states have already done, to protect the integrity of the 340B program. Courts across the country, including the U.S. Supreme Court, have affirmed that state legislatures have the authority to implement contracting protections within this program.

Now is the time to stand with Kansas hospitals and pharmacies instead of allowing pharmaceutical companies to continue prioritizing profits over patient care. Senate Bill 284 provides a practical solution, requiring drug manufacturers to uphold their federal agreements and extend 340B pricing to all eligible contract pharmacies across the state—without any cost to Kansas taxpayers.

We ask for your support of Senate Bill 284 to help protect healthcare access for the people of Kansas.

Written testimony regarding SB 284

To the Committee on Financial Institutions and Insurance,

As President and CEO of LMH Health, the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals and clinics, the drug manufacturers have disregarded legislative intent trying to reduce access to the 340B program while making record profits. They continue exploiting the lack of enforcement mechanisms by telling our hospitals that they can only contract with one pharmacy to supply drugs at discounted prices to patients in need.

These actions jeopardize the ability of Kansans to access needed prescriptions and other vital health services. When hospitals have to choose one pharmacy for 340B, access is limited. These actions hurt local pharmacies, and they also hurt patients by limiting the number of patients that the program can reach. This can be especially critical in rural Kansas.

In 2024, Kansas lawmakers recognized the harmful impacts of the drug manufacturer actions on Kansans and have appropriately responded to ensure protections for the 340B Program for the next two years. There are ongoing federal efforts to protect the 340B Program as well.

340B is a crucial program that benefits patients. At LMH Health, we have been able to create the Medication Assistance Program through our 340B savings. We were able to hire two pharmacy technicians to help manage a program that provided \$12 million of necessary medications for patients in 2024. This includes patients with diagnoses such as congestive heart failure, diabetes, and for patients who need anticoagulation medications. Many of these are expensive, brand name meds that don't have a generic alternative and are not otherwise attainable. These medications improve and save lives.

We hope the Senate Financial Institutions and Insurance Committee will join dozens of other states that already protect their programs. We know that courts across the country, including the United States Supreme Court, have agreed contracting limitations related to this program are within the bounds of state legislatures.

I understand your committee must consider this carefully. I ask you to consider who in the care delivery system needs support and protection – is it the large and prosperous pharmaceutical industry or is it your local hospitals and the many patients they care for that do not have the means for covering expensive medications. Please choose to protect our state hospitals, clinics and local pharmacies. According to HANYS cost reports for Kansas hospitals and the SEC 10-K filings of drug companies, in 2022 the top eight drug companies had net earnings of **\$99.4 billion**. Net revenues for Kansas 340B hospitals in the same year were a **negative \$18.2 million**.

You can do this at no expense to the Kansas taxpayers by holding the drug companies to the agreements that they already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.

Russ Johnson
LMH Health President & CEO



March 13, 2025

Committee on Financial Institutions and Insurance,

As CEO of Logan County Health Services in Oakley, the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling our hospitals that they can only contract with one pharmacy.

When this happens, hospitals have to choose one pharmacy for 340B. These actions hurt local pharmacies, and they also hurt patients.

At our hospital the following programs are supported through 340B savings:

- **Medication Assistance Programs**-This program helps patients with financial difficulties get access to much needed medications at a reduced cost.
- **Access to care**-The program helps us bring in other lines of care to help patients receive needed care without having to travel long distances. These programs include access to endocrinology, rheumatology and nephrology via telemedicine visits.
- **Uncompensated care**-Increasingly, we are seeing patients who are unable to pay for services. As a critical access hospital in a small community, we work hard to care for our community regardless of ability to pay. Our EMTALA obligations also require us to care for patients regardless of their ability to pay when care is accessed through the ER. Increases in insurance denials and contractials also contribute to an increasing amount of uncompensated care.

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already historically large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements that they already

Logan County Hospital
211 Cherry Avenue
Oakley, KS 67748
785-672-3211

New Frontiers Health Services
212 Maple Avenue
Oakley, KS 67748
785-672-3261



made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.

Sincerely,

Aimee Zimmerman, MHA, BSN, RN
Chief Executive Officer

Logan County Hospital
211 Cherry Avenue
Oakley, KS 67748
785-672-3211

New Frontiers Health Services
212 Maple Avenue
Oakley, KS 67748
785-672-3261



Committee on Financial Institutions and Insurance,

As CEO of Meade District Hospital, the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling our hospitals that they can only contract with one pharmacy.

When this happens, hospitals have to choose one pharmacy for 340B. These actions hurt local pharmacies, and they also hurt patients.

Our hospital has been able to utilize 340B savings to implement the following processes:

- Improvement of patient safety through equipment purchases, such as an automated medication dispensing machine that creates safe medication administration by nurses
- Help improve our negative operating margin that is impacted from continued rise in costs, which greatly outweigh payer reimbursement.
- Ensure access to care for patients in our rural community by being able to continue providing needed services, which decreases the need to travel hours for care.
- Workforce retention and recruitment, including Physicians, Advanced Practice Providers, and Nurses.

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already historically large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements that they already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.

Sincerely,

Dawn Unruh



MEDICINE LODGE MEMORIAL HOSPITAL & PHYSICIANS CLINIC

Dear Committee on Financial Institutions and Insurance,

As CEO of the Medicine Lodge Memorial Hospital, the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling our hospitals that they can only contract with one pharmacy.

When this happens, hospitals have to choose one pharmacy for 340B. These actions hurt local pharmacies, and they also hurt patients.

At our hospital the following programs are supported through 340B savings:

Supporting Local Youth Endeavors such as purchasing playground equipment needed to promote physical activity, grade school and junior high education for health, wellness, and dietary education classes... as well as many other youth sponsorship's with the primary focus being physical activity and mental health awareness.

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know that courts across the country, including the United States Supreme Court, have

agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already historically large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements that they already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.

Respectfully,

A handwritten signature in cursive script, appearing to read "Ashley Taylor".

Ashley Taylor, CEO

Medicine Lodge Memorial Hospital



TO: Members of the Senate Committee on Financial Institutions and Insurance

FROM: Harold Courtois
Administrator
Memorial Health System

DATE: March 19, 2025

RE: SB 284 Proponent Testimony, Written Only

As Administrator of Memorial Health System in Abilene, Kansas, the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent and continued exploiting the lack of enforcement mechanisms by telling our hospitals that they can only contract with one pharmacy.

When this happens, hospitals have to choose one pharmacy for 340B. These actions hurt local pharmacies, and they also hurt patients in several ways.

First, when a patient uses a pharmacy other than the *one* contract pharmacy allowed, they have to go to the contract pharmacy for 340B medications. This jeopardizes continuity of care in our small town by potentially not knowing the contraindications of other medications prescribed at another location. If that contracted pharmacy runs out of a 340B medication, the other pharmacies may not carry that drug, and the patient could miss out on vital therapy needed.

Second, the other pharmacies not selected due to only one contract pharmacy allowed, may go out of business. This would leave only one pharmacy to serve a town like Abilene, with operational hours that may not be accessible on weekends.

Third, if a patient has to get a drug from a pharmacy other than the contracted pharmacy, the cost most likely will be too high for some patients, threatening continuity of care. Low-income, uninsured, and underinsured patients could suffer a devastating lack of access to critical drugs.

The 340B program helps hospitals like Memorial Health System meet the healthcare needs of underserved patients. Congress should preserve and protect this program as an essential part of the safety net that does not rely on taxpayer dollars.

In Abilene, we support the following programs through 340B savings:

Comprehensive care and mental health services, offering care to uninsured or underinsured patients such as preventative screenings. IV therapy for those patients who suffer from medical conditions such as immune deficiency, rheumatoid arthritis, and Crohn's disease, to mention a few.

We hope the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already historically large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers by holding the drug companies to the agreements that they already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.



Mercy Hospital
220 N. Pennsylvania
Columbus, KS 66725
phone 620-429-2545
fax 620-429-1984
mercy.net

March 13, 2025

Committee on Financial Institutions and Insurance,

As Administrator of Mercy Hospital Columbus, the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents and my community members in our small rural area of SE Kansas.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling our hospitals that they can only contract with one pharmacy.

When this happens, hospitals have to choose one pharmacy for 340B. These actions hurt local pharmacies, and they also hurt patients.

At our hospital the following programs are supported through 340B savings:

Our newly implemented program, that is vital to our community, a 3-chair outpatient infusion center, as well as our long-standing swing bed program where patients come to us to often receiving lifesaving infusions while they recover from lengthy illnesses that have put them down for extended sick periods of time. These are key critical programs that are supported by 340B savings.

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already historically large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements that they **already made at the federal level** and requiring them to **honor their word and the 340B savings** at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.

Sincerely,

Angella M. Saporito

Administrator

Mercy Hospital Columbus est. 1917- Critical Access Hospital, Southeast Kansas



Mercy Hospital Pittsburg, Inc.

Administration

1 Mt Carmel Way

Pittsburg, KS 66762

620-231-6100

www.mercy.net

March 13, 2025

Committee on Financial Institutions and Insurance,

As President of Mercy Hospital Pittsburg, Inc., the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling our hospitals that they can only contract with one pharmacy. When this happens, hospitals have to choose one pharmacy for 340B. These actions hurt local pharmacies, and they also hurt patients.

At our hospital the following programs are supported through 340B savings:

- Mercy Hospital Pittsburg has been able to increase the number of patients seen in our Cancer Center because of the 340B program, increasing our provider ability and patient access to Cancer Care in the region.
- Ensure continuation of transitions of care services through our provider-based clinic in Pittsburg. This has significantly helped to reduce unnecessary hospital readmissions and emergency department visits for our vulnerable community members. In addition to providing care to uninsured and underinsured patients, our provider-based clinics also provide care to insured patients, including Medicare and Medicaid beneficiaries.
- Funding of an outpatient charity pharmacy at Mercy Hospital Pittsburg that provide free medications to qualifying patients based on financial needs.
- Medication Assistance Program coordinator who works with patients, social workers, and physicians to access free medications available through patient assistance programs.
- This program offered by Mercy Hospital Pittsburg has resulted in significant patients' savings on medication expenses.




Page 2

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already historically large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements that they already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.

Sincerely,



Jeremy S. Drinkwitz
President



Committee on Financial Institutions and Insurance,

As the CEO of Minneola Healthcare, the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling our hospitals that they can only contract with one pharmacy. This is challenging for MHCs patients as we operate Rural Health Clinics in three different communities.

When this happens, hospitals must choose one pharmacy for 340B. These actions hurt local pharmacies, and they also hurt patients.

At our hospital the following programs are supported through 340B savings:

- Ultrasound Services
- Ongoing Hospital Operations – 340B is critical to our financial sustainability

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their 340B programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already historically large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements that they already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.

Sincerely,

Debbie Bruner, CEO

P.O. Box 127
Minneola, KS 67865
620.885.3033



Morris County Hospital
600 N Washington
Council Grove, KS 66846
(620) 767-6811-Ext 121
Fax (620) 767-5611

March 11, 2025

Committee on Financial Institutions and Insurance,

As the CEO of Morris County Hospital, the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for our residents / **your constituents**.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling our hospitals that they can only contract with one pharmacy.

When this happens, hospitals must choose one pharmacy for 340B eligibility. These actions hurt unselected local pharmacies, who can share in the 340B savings to assist with underfunded patients. This suggested policy also hurts these same patients who may present at an ineligible (unselected) pharmacy.

At our hospital the following lower volume programs are aided by 340B savings:

- Our long history of providing an uninterrupted obstetrics program as a desired service for our remote community's residents, is challenged due to the volume of pregnancies being somewhat inconsistent, calling for outside dollars to help offset the cost of a 24 hour on-call surgical team, requisite for this service.
- Two remote Clinics in very small Communities struggle to cover operating expenses because of varying degrees of demand throughout a year. Because of the 340B scripts written at these sites, it makes financial sense to continue delivering the much-appreciated services to local residents.
- And of course, timely filling of Provider's prescriptions for their patients is essential for successful outcomes of their care plans, and 340B savings help us assure access to affordable medications.

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already historically large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements that they already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We certainly hope you will support Senate Bill 284. Thank you for the service you give of yourself for others.

A handwritten signature in black ink, appearing to read 'Kevin A. Leeper', written in a cursive style.

Kevin A. Leeper, CEO
Morris County Hospital



March 12, 2025

TO: Senate Committee on Financial Institutions and Insurance Members:

FROM: Kiley Floyd, CEO

RE: 340B program in Kansas

Thank you for your consideration of my experience and thoughts on the significance of the 340B program for Kansans. As the CEO of Nemaha Valley Community Hospital, I see how this program impacts our patients daily. We firmly believe the 340B program is an important part of ensuring access to care for the people we both serve, your constituents.

It was a relief to see language added in the 2024 budget bill to protect local pharmacies, hospitals, and clinics. However, we continue to fight drug manufacturers in their reckless disregard of legislative intent, and continued exploitation of the lack of enforcement mechanisms. We continue to receive notices from manufacturers telling us that we can only contract with one pharmacy. There is absolutely no reason to limit pharmacies. Working with multiple pharmacies does not create a burden for any medication manufacturer.

When a manufacturer limits pharmacy access, hospitals have to choose one pharmacy for 340B qualified prescriptions. These actions hurt local pharmacies and it also hurts our patients. Our patients should be able to choose where they shop. They have long established relationships with their pharmacists which can be as important as their relationship with their physician. They should not be forced to change pharmacies to benefit from this program.

It is often easy to focus on one element of the 340B program which is discount on the actual purchase of a medication but the program provides so much more for our communities. At Nemaha Valley Community Hospital the following programs are supported through 340B savings:

- Resources to support a lactation clinic for new mothers and babies;
- Staff that meets the patients where they are. Farmers are notoriously bad about taking time off to see their health care providers. The same is true for truckers and those that work in manufacturing. We provide a basic skin cancer screenings for farmers while they are in line at the grain elevator. We also screen for diabetes and high blood pressure. In addition to the screenings, we provide education at work sites. Education includes stop-the-bleed instruction and basic CPR. One of our doctors will also participate to explain basic lab test results and advise what a patient needs to look for;
- Staff to provide care coordination for patients with chronic diseases or multiple doctors. Just managing medications during cancer treatments, arranging for transportation to

appointments and getting multiple provider officers to coordinate visits can be daunting. Our care coordinator can help patients with all of this; and

- A community health worker to help those families and individuals without other support to find the resources they need. Sometimes this is helping them access programs for utility assistance, getting signed up for meals-on-wheels, finding insurance, or even finding housing.

The above-mentioned services are essential to the overall health and wellbeing of our patients. Our rural communities do not have access to all of the agencies available in larger cities. Our 340B program helps keep our rural patients in their homes and the communities they grew up in.

It is our sincere hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their 340B programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our Kansas hospitals, clinics, local pharmacies and most importantly our patients from large pharmaceutical companies that are showing historically large profit margins at the expense of our patients. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements they made at the federal level. Hold these companies accountable and require they honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

Please support Senate Bill 284.



312 Custer, Ness City, KS 67560-1654 Office: 785-798-3596

Committee on Financial Institutions and Insurance,

As CEO of Ness County Hospital, the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling our hospitals that they can only contract with one pharmacy.

When this happens, hospitals have to choose one pharmacy for 340B. These actions hurt local pharmacies, and they also hurt patients.

At our hospital the following programs are supported through 340B savings:

- The 340B Drug Discount Program benefits patients by providing access to affordable, life-saving medications. Hospitals in turn provide access to medically necessary services for patients in need.
- Without the 340B Discount Program, many Kansas rural hospitals would have to drastically reduce or discontinue health care services offered in their communities.
- The 340B program helps hospitals meet the health care needs of underserved patients.

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already historically large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements that they already made at the federal level and requiring

them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.



NEWMAN

REGIONAL HEALTH

Chairperson and Members of the Committee,

Thank you for the opportunity to provide written testimony in support of Senate Bill 284. My name is Cathy Pimple, and I serve as the Chief Executive Officer of Newman Regional Health, a county-owned Critical Access Hospital that provides essential healthcare services to the residents of Lyon County and the surrounding rural communities. Our hospital serves a population with a significant number of individuals living in poverty, making access to essential healthcare services and medications critical to the health and well-being of our region.

Rural hospitals depend on the 340B program to offset financial losses associated with patient services. Health insurance plans do not reimburse enough to cover the full cost of providing services. Additionally, rural hospitals face higher costs due to standby costs associated with the delivery of emergency and obstetrical services, which is not as prevalent in urban hospitals. Compounding these challenges, rural hospitals also experience a higher percentage of uncompensated care due to the socioeconomic demographics of our communities.

The Importance of the 340B Program

The 340B Drug Pricing Program plays a vital role in ensuring that we can provide high-quality, affordable care to the patients who need it most. The savings generated from the 340B program allow hospitals like ours to sustain critical services that directly benefit our communities. I firmly believe that access to healthcare is a fundamental right for all Kansas citizens, and the 340B program is an indispensable tool in ensuring that access.

The Issue at Hand

While the Kansas Legislature took commendable steps by including protective language in the 2024 budget bill to safeguard local pharmacies, hospitals, and clinics, drug manufacturers have disregarded the legislative intent. By exploiting the lack of enforcement mechanisms, they have imposed restrictive policies that force hospitals to contract with only one pharmacy for 340B participation. This practice is detrimental not only to local pharmacies but also to the patients we serve.

When hospitals are forced to select just one pharmacy, the consequences are far-reaching:

- **Local pharmacies** lose the ability to participate in the 340B program, threatening their viability and limiting patient access to affordable medications.

- **Patients** are left with fewer choices and may have to travel longer distances to receive their medications, exacerbating healthcare disparities in rural communities.
- **Critical healthcare services** supported by 340B savings are placed at risk.

Programs Supported by 340B Savings

At Newman Regional Health, 340B savings directly support essential programs that serve our community, including:

- **Charity Care Programs** – Ensuring that uninsured and underinsured patients receive the care they need without financial hardship.
- **Medication Assistance Programs** – Helping patients afford life-saving prescriptions that they might otherwise be unable to obtain.
- **Rural Health Initiatives** – Expanding healthcare access to underserved populations, including telehealth services and outreach clinics.
- **Behavioral Health Services** – Providing crucial mental health and substance abuse treatment programs.

A Call for Legislative Action

States across the country have recognized the importance of the 340B program and have taken action to prevent pharmaceutical manufacturers from undermining it. Courts, including the United States Supreme Court, have upheld the authority of state legislatures to implement protections that ensure 340B savings reach the intended beneficiaries. Now, it is time for Kansas to do the same.

By supporting Senate Bill 284, your committee can take a stand to protect Kansas hospitals, clinics, and local pharmacies. This bill does not impose additional costs on taxpayers; rather, it simply holds drug manufacturers accountable to the commitments they have already made at the federal level. It ensures that 340B savings continue to benefit patients and healthcare providers, rather than contributing to the already record-breaking profit margins of large pharmaceutical companies.

Conclusion

I urge you to support Senate Bill 284 to uphold the integrity of the 340B program and protect the healthcare infrastructure that so many Kansans rely upon. Thank you for your time and consideration. I welcome any questions you may have.



Cathy Pimple MS, DNP, NE-BC
Chief Executive Officer
Newman Regional Health



TO: Members of the Senate Committee on Financial Institutions and Insurance

FROM: Dave Garnas
Administrator
North Central Kansas Medical Center

DATE: March 19, 2025

RE: SB 284 Proponent Testimony, Written Only

As the administrator of North Central Medical Center in Concordia, I recognize the 340B program as a vital resource in ensuring our patients receive the care they need. Access to healthcare is essential for Kansas citizens, and the 340B program plays a key role in maintaining that access for your constituents.

While the legislature included protections for local pharmacies, hospitals, and clinics in the 2024 budget bill, drug manufacturers have blatantly disregarded its intent. Exploiting the lack of enforcement mechanisms, they have imposed restrictions that limit hospitals to contracting with only one pharmacy under 340B.

This forces hospitals to make difficult choices, harming both local pharmacies and the patients who rely on them. At our hospital, 340B savings support critical programs such as fall prevention education for seniors, safe sitter courses for junior high students, and charity care assistance for the uninsured.

We urge the Senate Financial Institutions and Insurance Committee to follow the lead of numerous other states that have already taken steps to protect their 340B programs. Courts nationwide, including the U.S. Supreme Court, have affirmed that state legislatures have the authority to enforce contracting protections within this program.

Your committee has the opportunity to safeguard Kansas hospitals, clinics, and pharmacies—rather than bolstering the already record-breaking profits of major pharmaceutical companies. Senate Bill 284 would achieve this without any cost to Kansas taxpayers, simply by ensuring drug manufacturers uphold the agreements they made at the federal level and honor 340B pricing at all eligible contract locations and pharmacies across the state.

We urge you to support Senate Bill 284 and protect access to care for Kansans.



NORTON COUNTY HOSPITAL

March 13, 2025

Committee on Financial Institutions and Insurance,

As Chief Financial Officer of Norton County Hospital, the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling our hospitals that they can only contract with one pharmacy.

When this happens, hospitals must choose one pharmacy for 340B. These actions hurt local pharmacies, and they also hurt patients.

At our hospital the following programs are supported through 340B savings:

- Outpatient Infusion Services-allows patients to receive vital medications in our community rather than travel to larger cities for treatment
- Presumptive Eligibility Certified Representative for Kansas Medicaid and Senior Health Insurance Counseling for Kansas (SHICK) Certified Staff – provide patients with needed healthcare benefit coverage and prescription drug program counseling services
- Outpatient mental health assistance through High Plains Mental Health Services within our specialty clinic with no additional facility charge

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already historically large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements that they already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.

Sincerely,

ReChelle Horinek, CFO

102 East Holme ~ P.O. Box 250 ~ Norton, Kansas 67654-0250
Phone (785)877-3351 ~ Fax (785)877-2841 ~ www.ntcohosp.com

March 13, 2025

Committee on Financial Institutions and Insurance,

As the Chief Executive Officer of Osborne County Memorial Hospital, the 340B program is a critical component to providing patients with the care that they need. I believe health care access is very important to Kansas citizens, and the 340B program is a much needed part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling our hospitals that they can only contract with one pharmacy.

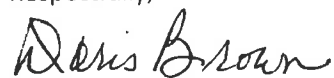
When this happens, hospitals have to choose one pharmacy for 340B. These actions hurt local pharmacies, and they also hurt patients.

We hope the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

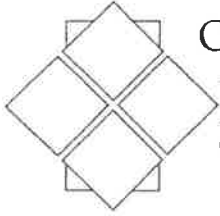
Your committee can protect our state hospitals, clinics and local pharmacies rather than adding to the already historically large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements that they already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.

Respectfully,



Doris Brown, CEO



OTTAWA COUNTY HEALTH CENTER

215 East Eighth □ P.O. Box 290 □ Minneapolis, KS 67467-0290 □ Phone (785) 392-2122 □ Fax (785) 392-2852

Operated under lease by Great Plains of Ottawa Co., Inc.

March 13, 2025

Committee on Financial Institutions and Insurance,

At Ottawa County Health Center, the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling hospitals that they can only contract with one pharmacy. When this happens, hospitals must choose one pharmacy for 340B which may negatively impact our patients.

At Ottawa County Health Center, our 340B savings support indigent care and losses obtained by Medicaid. In addition, these savings help support our community health initiatives as we offer access to a 24-hour fitness center to members of our community to help support healthy lifestyles.

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements that they already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.

Regards,

Jody Parks, CEO
Ottawa County Health Center

March 10, 2025

Committee on Financial Institutions and Insurance,

As Administrator, of Pawnee Valley Community Hospital, the 340B program is a critical component to providing patients with the care that they need. I believe that healthcare access is important to Kansas citizens, and the 340B program is an important part of ensuring access to care for your constituents.

While the legislature added language in the 2024 budget bill to protect local pharmacies, hospitals, and clinics, the drug manufacturers have recklessly disregarded the legislative intent, and continued exploiting the lack of enforcement mechanisms, by telling our hospitals that they can only contract with one pharmacy.

When this happens, hospitals have to choose one pharmacy for 340B. These actions hurt local pharmacies, and they also hurt patients.

At our hospital the following programs are supported through 340B savings:

Key critical programs that are supported by 340B savings at Pawnee Valley Community Hospital include many specialty care and community facing programs: adding sleep and wound care services, offering community lab fairs at a reduced rate, community education programs, and offsetting our growing uncompensated care.

We hope that the Senate Financial Institutions and Insurance Committee will join the dozens of other states that have already protected their programs. We know that courts across the country, including the United States Supreme Court, have agreed that contracting limitations related to this program are well within the bounds of state legislatures.

Your committee can protect our state hospitals, clinics, and local pharmacies rather than adding to the already historically large profit margins of large pharmaceutical companies. You can do this at no expense to the Kansas taxpayers, by holding the drug companies to the agreements that they already made at the federal level and requiring them to honor their word and the 340B savings at all contract locations and pharmacies throughout Kansas.

We hope you will support Senate Bill 284.



Sincerely,
Melanie Urban
Administrator
Pawnee Valley Community Hospital
(620) 285-8663



March 12, 2025

Testimony in Support of Senate Bill 284 – Protecting the 340B Program

Submitted to the Senate Financial Institutions and Insurance Committee

As a lifelong Kansan and the CEO of Phillips County Health Systems, I'm writing to express my strong support for Senate Bill 284 and to ask for your help in protecting the 340B Drug Pricing Program.

We're a small Critical Access Hospital serving rural north-central Kansas. Like so many other rural hospitals, we operate on thin margins. **The 340B program isn't about extra profit—it's about survival.** It's how we keep our doors open and continue caring for our friends, neighbors, and loved ones.

Here in rural Kansas, we take care of each other. The savings from 340B help us do just that. They support:

- Charity care and services for patients who are uninsured or underinsured
- Keeping medications accessible and affordable through our local pharmacies
- Community health programs, chronic care management, and senior services
- Behavioral health and mental wellness support—something we desperately need more of in rural Kansas

Recently, drug manufacturers have tried to limit how we use 340B by only allowing us to partner with one pharmacy. That's not right. It hurts our local pharmacies, our patients, and our ability to provide care close to home.

Senate Bill 284 gives Kansas the opportunity to stand up for rural hospitals, small-town pharmacies, and the people who rely on us. It won't cost taxpayers a dime—it simply holds manufacturers to the commitments they've already made.

Without 340B, hospitals like ours would have to make hard decisions—cut services, reduce staff, or worse. But with your support, we can keep taking care of our communities the way Kansans always have—by standing strong together.

Thank you for your time and for supporting rural health care in our great state.

Sincerely,

A handwritten signature in black ink that reads "Tara Overmiller". The signature is fluid and cursive, with the first name "Tara" being more prominent.

Tara Overmiller
Chief Executive Officer
Phillips County Health Systems