



More Affordable Medicines for Children and Underserved Communities

The *Patient Protection and Affordable Care Act* and the *Health Care and Education Reconciliation Act* expand the 340B prescription drug discount program so that more patients will have access to lower-cost medications.

More Affordable Prescription Drugs

- ✓ Under current law (Section 340B of the *Public Health Service Act*), safety-net hospitals and other providers that serve a large volume of low-income and uninsured patients may access significant discounts on pharmaceuticals.
- ✓ The discounts provided under the 340B program make an enormous difference in allowing these health care providers to serve low-income populations.

Expands and Improves Prescription Drug Discount Program

- ✓ Improves the 340B drug discount program by broadening its scope to include children's hospitals, free-standing cancer hospitals and several kinds of critical access and rural hospitals, so that patients in these settings may access lower-cost medications.
- ✓ Retains incentives to develop urgently needed medications for "orphan diseases" (those affecting fewer than 200,000 Americans), by exempting this class of drugs from the expansion in scope of the 340B discount program.

Enhances 340B Program Integrity

- ✓ Enhances 340B program integrity by and program compliance by manufacturers and covered entities by improving program audits; providing additional information on the prices available to 340B entities, increasing penalties for program violations, and establishing new processes for resolving claims of violations of 340B requirements by program participants.

Government Accountability Office Study

- ✓ Requires the Government Accountability Office to make recommendations to Congress on improvements to the 340B program within 18 months of enactment.