



340B Uninsured Discount Prescription Card

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SUNRx **340B. Simplified.®**
Powering Compliance & Savings

340B Program

Congress created the 340B program in 1992 to help uninsured indigent patients gain better access to prescription medicines.

The 340B program is designed to provide financial benefits to covered entities that **serve low-income and uninsured patients.** This enables the covered entity to expand healthcare services to better serve their communities, and **to improve access to more affordable medications for their low-income and uninsured patients.**

340B Cash Program for the Uninsured—Program Intent

All 340B covered entities are expected to offer a cash discount to their uninsured, low income patients

“Today, however, it is unclear whether this goal is being met, even as the program continues to grow dramatically. Evidence suggests that the program has departed significantly from its statutory foundation. There also is little concrete evidence of how and whether benefits of the 340B program are reaching the intended beneficiaries of the program—namely uninsured indigent patients.”⁴

4. The 340B Drug Discount Program, A Review and Analysis of the 340B Program. A White Paper.
<https://www.bio.org/sites/default/files/files/340B%20White%20Paper%20FINAL.pdf>



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Uninsured Discount Prescription Card

- ✓ Pass discounts on medications along to uninsured patients
- ✓ Real-time processing at pharmacy
- ✓ Sliding scale/subsidy option
- ✓ An important component of a successful 340B program



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340B Cash Program Models

In-house/Owned Retail Pharmacy Model

- Cash Prescriptions are filled at the entity's in-house pharmacy

Paper-Based (or Script Pad based) Messaging Model

- 340B eligibility is noted or barcoded on the written prescription

Retrospective Prescription Card Model

- Rx adjudicated at a defined price/subsidy, with a retrospective true-up

Real-Time Prescription Card Model

- Automated 340B eligibility and income-level pricing in real time at the "Point of Service"



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340B Cash Program Challenges

- In-house pharmacy access: limited hours, weekends & geography
- Contract pharmacies process retrospectively—they don't know 340B eligibility or price at the "point of service"
- Lack of real-time patient "visit" information (e.g., a patient who walks directly from the clinic to the pharmacy)
- Difficulty communicating daily 340B pricing with the pharmacy
- Difficulty communicating patient income levels and the corresponding 340B sliding scale pricing
- The 340B price is not always the lowest price for the patient
- Must integrate cash 340B orders with all other 340B ordering



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340B Prescription Savings—Real Time Processing



Program Set-up

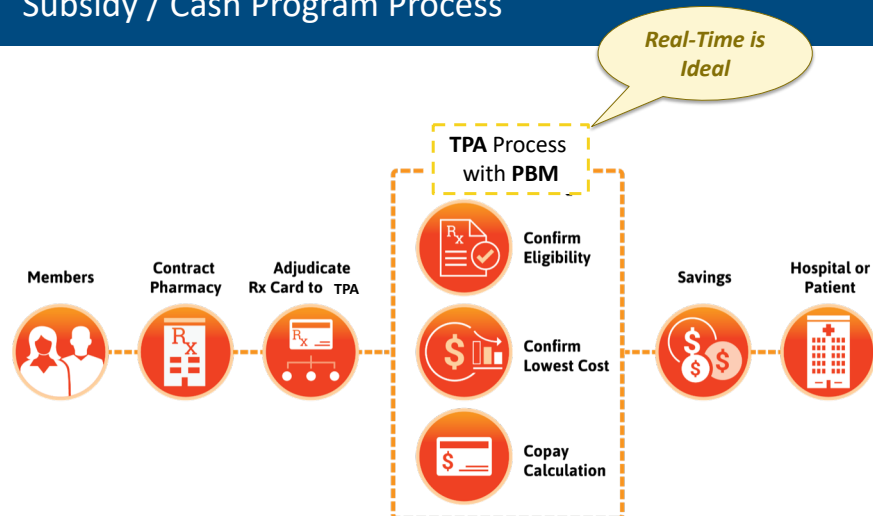
- Make PBM arrangements
- Design the 340B Card and marketing materials
- Create a benefit design (340B pass-through or subsidy)
- Load 340B eligibility at the PBM (low income patients, providers, 340B pricing)



340B Card Use

- Distribute prescription Cards to uninsured (w/income tier)
- 340B eligibility determined by PBM in real time
- PBM applies “Lower of” pricing (340B, Network, UC)
- 340B claims are accumulated & replenished
- Financial invoicing between stakeholders

Subsidy / Cash Program Process



Discounts are significant

In 2017, average "pass along" discounts per hospital to uninsured patients was >\$1,000,000 annually.⁵



5. SUNRx database of hospitals with active Cash Programs (2017)



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The SUNRx Solution for Self-Pay/Uninsured Patients



340B Card

In 2017, saved patients approximately

\$43.5M

Minimizes Risk of Increased Charity Care

Minimizes Risk of Medicare Readmissions

The Lowest Price... Every Time

Fact: For nearly 50% of prescriptions 340B is NOT the lowest available price

The Lowest Price: SUNRx scans all available prices, and processes the script using the lowest price

Individualized Cards



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Considerations for a Strong Subsidy Program



The Hospital controls uninsured assistance (co-pay, full or partial coverage, time limits, etc.)



Patient Privacy

- Prescription Card similar to insurance card



Real-time vs. 24-48 hour delay

- Live connection
- Backed by PBM
- Linked to Eligibility
- Access to “Best Price”, not just 340B



PAP vs. Subsidy

- PAP for high cost brand/ specialty medications
 - FTE
- Subsidy
 - Benefit design



Not just medications



Track for Community Benefit



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Example: sliding scale program

Our claims adjudication system allows for multiple levels of coverage for patient populations. For example:

Patient Division	Patient Population	Tier 1	Eligibility Period (this is the time the patient is eligible to be in this division)	Tier 2 – various tiers can be set up to provide a different range of coverage for certain prescriptions	Hospital/Clinic Fee (this amount goes directly to your 340B savings and can subsidize the cost of running the program.	Maximum Coverage Per Prescription	Maximum Number of Prescriptions per Patient per Month
Division 1	Indigent division 1	Flat copayment or % of coverage; i.e. \$5 copayment	1	Copayment or % of coverage (different from tier 1)	\$0.00	\$200	4
Division 2	Indigent division 2	Flat copayment or % of coverage; i.e. \$10 copayment	2	Copayment or % of coverage (different from tier 1)	\$5	\$200	3

Formulary can also be added.



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Passing along SAVINGS to uninsured Patients



340B Uninsured Prescription Card Benefits

- Financially Neutral for Hospitals**
- Can improve Patient Outcomes, Clinical Benefits**
- Provides Access to Discounted Medications**
- Fulfills your Charity Care Mission**
- Reduces Risk of Re-admissions Penalties**
- Reduces Risk of Charity Care Costs**

Benefits your Patient's and Community!



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340B Uninsured Discount Card Testimonial

"It is with high regards that I write my appreciation for the SUNRx program. As a medical provider, I'm faced with daily challenges. Many of which deal with price changes of medications and financial challenges of my patients. The SUNRx program enables me to aid my patients in obtaining the medications they need at prices they can afford. The cost savings are not just that of the medication, but that of the patients overall health. The medications available have literally saved lives. Without this program, I would be limited in many ways as a practitioner. With this program, I'm able to get the patients the care and medications they need. The SUNRx program has supported our organization and it has been a seamless process working with them. Thank you for all you do."

– Healthcare Provider / SUNRx client



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- An Efficient and Strong 340B program requires all “partners” to work to the mission of the 340B program

Balance as intended



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