

US hospitals receiving discounted medicines may not be offering low-income patients available financial assistance

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In a study of 75 U.S. hospitals' financial assistance policies published today, only 13 clearly indicate how they provide pharmaceutical assistance to patients or how patients may receive discounts on needed

medicines.

The research, published by the Center for Public Health Law Research at Temple University's Beasley School of Law with funding from the Pharmaceutical Research and Manufacturers of America (PhRMA), collected Financial Assistance Policies (FAPs) and related debt collection policies from a sample of 75 U.S. hospitals participating in the federal 340B program.

"In theory, when 340B hospitals pay less for specified outpatient drugs, they may pass those savings on to patients who might otherwise not be able to afford treatment at full price. But what we're finding is that there are few measures built into the program to assure that 340B savings are being used to support care for low-income populations," said Jonathan Larsen, JD, MPP, a law and [policy](#) analyst at the Center and lead researcher on the project.

The research also finds:

- For seven hospitals, charity care, or care provided at no cost to the patient, was limited to those at or below 100% of federal poverty guidelines. On the other end of the spectrum, two hospitals' charity care policies provide free care for patients at or below 600% FPG. However, these policies apply to medical services received by eligible patients and may not include cost sharing associated with prescription medicines.
- Of the 64 hospitals that included debt collection actions in their policies, just six specifically prohibited the use of extraordinary collections actions, which can include liens, foreclosures, and civil actions, when patients fail to pay bills.
- Less than half of the hospitals in the study detailed their appeals process for responding to a denial of [financial assistance](#).

"The broad range of FAPs in place at 340B hospitals suggests limitations in how the 340B program savings are used to help patients, specifically regarding affordability of medicines for low-income populations," the researchers write in a Policy Brief.

With more than 2,500 340B hospitals nationwide, this research provides insight into how hospitals are providing financial assistance in the absence of other legally mandated transparency measures.

The project examined the policies in the 51 largest 340B hospitals by revenue in each state and the District of Columbia along with 24 hospitals that were the next largest 340B hospitals by revenue in the nation for the 2017-2018 or 2018-2019 fiscal years.

More information: Read the research [here](#).

[Read a Policy Brief](#) that describes the current policy landscape, provides policy recommendations, and sets a research agenda.

[Explore the details of the sample of 340B hospital policies](#) on LawAtlas.org.

Provided by Temple University Center for Public Health Law Research

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