**All Manufacturer Issues**

**Template for Letter to Lawmakers**

Community Health Centers are recognized by lawmakers as judicious, fair, and honest stewards of the 340B program. However, many lawmakers are not fully aware of the program, and how health centers use the savings to benefit our patients.

Please consider using this template below – modifying/tailoring it to reflect your relationship with the elected official and inserting any data you think would be more personal, etc.

**Your letterhead**

Dear (Congressman/Congresswoman/Senator):

**Fundamental services we have been providing to our patients in (insert city, town, area) are at risk and we cannot compete with big Pharma’s attacks on programs benefiting vulnerable populations.**

I am writing to request your assistance in addressing recent actions by drug manufacturers Eli Lilly, Merck, and Sanofi that seriously threaten health center’s on-going ability to provide our low-income and medically-vulnerable patients with access to affordable medications and other critical services, including *briefly name 1-2 services that are supported with your 340B savings.*

Give background about your health center – e.g., location, number of patients served, patient demographics, fact that you treat everyone regardless of ability to pay and charge on a sliding fee scale based on income.

As a Federally Qualified Health Center (FQHC), *name of health center* is eligible to participate in the 340B drug discount program. The 340B program requires drug manufacturers who participate in Medicaid and Medicare to provide discounts on the price of outpatient pharmaceuticals purchased by “safety net” providers, such as *name of your health center* and other FQHCs. The 340B program is central to our ability to offer affordable pharmaceuticals to our low-income patients who are uninsured or underinsured; by reducing how much we would otherwise spend on drugs, it frees up other funds to support critical services such as *give examples of activities you fund with your 340B savings.*

In early July, drug manufacturer Eli Lilly announced that it would no longer allow certain drugs purchased at the 340B price by 340B-eligible providers to be delivered to “contract pharmacies, meaning pharmacies that are not owned by the 340B provider. A few days later, drug manufacturer Merck sent a letter to all 340B providers instructing them to submit extensive data bi-weekly on all Merck drugs dispensed by contract pharmacies. Later in the month, drug manufacturer Sanofi announced that effective October 1, it will refuse to allow any drugs purchased at the 340B price by 340B-eligible providers to be delivered to contract pharmacies, unless the 340B provider submits the same type of data that Merck is requesting. In response to these developments, the Health Resources and Services Administration (HRSA) in HHS announced that it lacks the authority necessary to stop the manufacturers’ actions.

These manufacturer actions violate both Section 330 and Section 340B of the Public Health Service statute. More importantly, these actions fundamentally threaten health centers’ ability to continue providing our medically-underserved patients with access to affordable pharmaceuticals and other services*.* Specifically:

* • Eli Lilly and Sanofi’s refusal to ship 340B-priced drugs to contract pharmacies violates both the 340B statute and the health center authorizing statute. The 340B statute requires manufacturers to see 340B-priced drugs to all eligible providers, regardless of where they are shipped. The health center authorizing statute (Section 330 of the Public Health Service Act) explicitly states that health centers may provide services -- including pharmacy services -- via contract.
* • Eli Lilly and Sanofi are threatening the ability of health center patients to access affordable pharmaceuticals at contract pharmacies. Health centers rely on contract pharmacies to make pharmaceuticals more accessible to their patients, both geographically and in terms of hours of operations. *Give examples of why you use contract pharmacies – e.g., more accessible for patients in terms of distance, night/weekend hours, access to public transportation.* Nationally, roughly half of drugs that FQHCs dispense to their nearly 30 million medically underserved patients are dispensed via contract pharmacies. If allowed to proceed, these manufacturers’ actions will force health centers to completely stop offering services through contract pharmacies. The end of contract pharmacies will dramatically decrease the ability of health center patients to access affordable medications and other services.
  1. • Merck and Sanofi’s requests for data on Medicare and privately-insured patients: o **Are intended to save the manufacturer money, rather than ensure 340B compliance.** Both manufacturers state that they will use the requested data to avoid paying discounts to Pharmaceutical Benefits Managers (PBMs) for drugs purchased under 340B. However, manufacturer discounts to PBMs are completely independent from 340B and are offered on an entirely voluntary basis, generally as an incentive to increase the PBMs’ purchases of a particular drug. It is inappropriate to force health centers to undertake an onerous reporting process, completely unrelated to 340B compliance, simply to save manufacturers money.

o Will strip health centers of the benefit of the 340B savings mandated by Congress, undermining their ability to provide affordable pharmaceuticals and other services to their low-income patients. Providing this data will almost certainly cause health centers to lose the benefit the 340B discounts that Congress intended for them. In recent years, FQHCs have faced a dramatic and worrisome expansion of “discriminatory contracting” – meaning practices used by third parties, such as PBMs and insurers, to effectively transfer the benefit of 340B savings from the FQHC to themselves. (For example, a PBM will pay the FQHC only its actual purchase price for a drug – thereby capturing the benefit of the 340B savings for itself at the expense of the health center.) The manufacturers have been clear that they will use this data to deny voluntary discounts to PBMs – and recent history is clear that PBMs will respond to this “shortfall” by reducing reimbursement for to the health center. Thus, complying with Merck’s and Sanofi’s request for data on Medicare and commercial patients will strip the 340B benefits away from health centers, undermining their ability to continue providing affordable pharmaceuticals and other services for their low-income, vulnerable patients.

On behalf of the (insert number of employees) caring for (insert number of patients) we are asking you for 3 actions. Please:

1. **Committee Contact** (if letter to the House: Chairman Pallone and Ranking Member Walden) (if letter to Senate: Chairman Alexander and Ranking Member Murray) to express your grave concerns about the implications of big pharma’s actions;

2. **Leadership Contact** (if letter to House: Speaker Pelosi and Republican Leader McCarthy) (if letter to Senate: Majority Leader McConnell and Democratic Leader Schumer) expressing the same as above;

3. **Industry Contact**: Engage via letter or phone call anyone with whom your office has a contact at Merck, Eli Lilly, Sanofi, and Pharma to express your concern about the risk of their actions on your community’s low-income and vulnerable populations.

Health center doctors, nurses, and other staff do the best we can with what we have. This unprecedented attack from industry and certain others is unfair, unwarranted, and harmful to the needs of vulnerable patients.

We hope we can count on you to follow through on these points above. Please let us know what you are willing to do and contact me if I can answer any questions. I can be reached at (e-mail and phone).

Sincerely,

Name

* 1. Title