



April 11, 2025

Re: LD-1018 An Act to Protect Health Care for Rural and Underserved Areas by Prohibiting Discrimination by Participants in a Federal Drug Discount Program

Introduction

On behalf of Community Care Partnership of Maine (CCPM), I write to express our collective support of LD-1018, an *Act to Protect Health Care for Rural and Underserved Areas by Prohibiting Discrimination by Participants in a Federal Drug Discount Program*.

CCPM is a mission-driven Accountable Care Organization (ACO), is comprised of 21 non-profit health care organizations across the State of Maine, including 17 Federally Qualified Health Centers (FQHCs) and 4 community hospitals.

CCPM member organizations provide care to some of the state's most vulnerable populations, including low-income individuals, medically and socially complex populations, older adults, and those confronting substantial social determinants of health (SDOH) barriers, such as homelessness.

Many of our member organizations are 340B covered entities, meaning they are participating or authorized to participate in the federal 340B Drug Pricing Program ("340B Program"). Our members rely on the 340B Program to provide care to the most vulnerable among us.

Importance of the 340B Program to Maine's Healthcare System

The 340B Drug Program, established in 1992, requires drug companies to provide a discount (generally 25-50%) on certain medications to safety-net providers like FQHCs, also known as 340B covered entities. The 340B covered entities use these savings to ensure care is provided to those who need it most.

These savings help increase access to vitally important healthcare services for rural and underserved communities in Maine and across the nation. FQHCs are required, by statute and regulation, to invest all 340B savings (see [here](#) for an illustration of how 340B savings are generated and used) into activities that expand access to care for medically-underserved patients. 340B savings fund a variety of

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programs and services for underserved populations, including but not limited to early childhood development, nutrition programs, behavioral health and substance use treatment services, health screenings and vaccinations, and much more.

Efforts by Drug Companies to Restrict Access to the 340B Program

For-profit drug companies cover the cost of the 340B Program through the discounts they are required to provide to covered entities. Over the years, these pharmaceutical manufacturers have made concerted efforts to increase their profits by restricting access to the 340B Program, at the expense of patient care across Maine and nationally.

These companies restrict access to the program in a variety of ways, mostly by placing undue requirements and administrative burden on 340B covered entities. One tactic often used by drug pharmacies is to arbitrarily limit how many contract pharmacies a 340B covered entity can partner with. This hurts patients, who are required to travel long distances to get affordable medication at a partner contract pharmacy.

These tactics by pharmaceutical companies intentionally make it harder for safety-net providers to access the savings they are entitled to under the 340B Program, and have diverted millions of dollars in savings away from patient care and into corporate pockets.

How LD-1018 Helps Protect Healthcare in Maine

LD-1018 addresses these common tactics and protects the healthcare safety net in Maine, at no cost to the taxpayer or government. This legislation would prohibit drug manufacturers from using tactics that restrict or otherwise interfere with the acquisition of a 340B drug by, or delivery of a 340B drug to, a 340B contract pharmacy on behalf of a 340B entity. It also requires that manufacturers do not impose requirements, exclusions, reimbursement terms or other conditions different from those applied to non-contract pharmacies or non-covered entities.

We are pleased to offer our collective support of LD-1018. We are confident, if passed and signed into law, this legislation would have a tremendously positive impact on access to care statewide, at no cost to the taxpayer or government.

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Sincerely,

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Community Care Partnership of Maine Network

- Bucksport Regional Health Center
- Cary Medical Center
- Community Clinical Services, Inc.
- Eastport Health
- Fish River Rural Health
- Greater Portland Health
- Harrington Family Health Center
- Health Access Network
- HealthReach Community Health Centers
- Hometown Health Center
- Islands Community Medical Service Inc.
- Katahdin Valley Health Center
- Maine Mobile Health Program *Affiliate Member
- Millinocket Regional Hospital
- Mount Desert Island Hospital
- Nason Health Care
- Pines Health Services
- Regional Medical Center at Lubec
- Sacopee Valley Health Center
- St. Croix Regional Family Health Center
- St. Joseph Healthcare

For more information about CCPM, please visit www.ccpmaine.org

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