

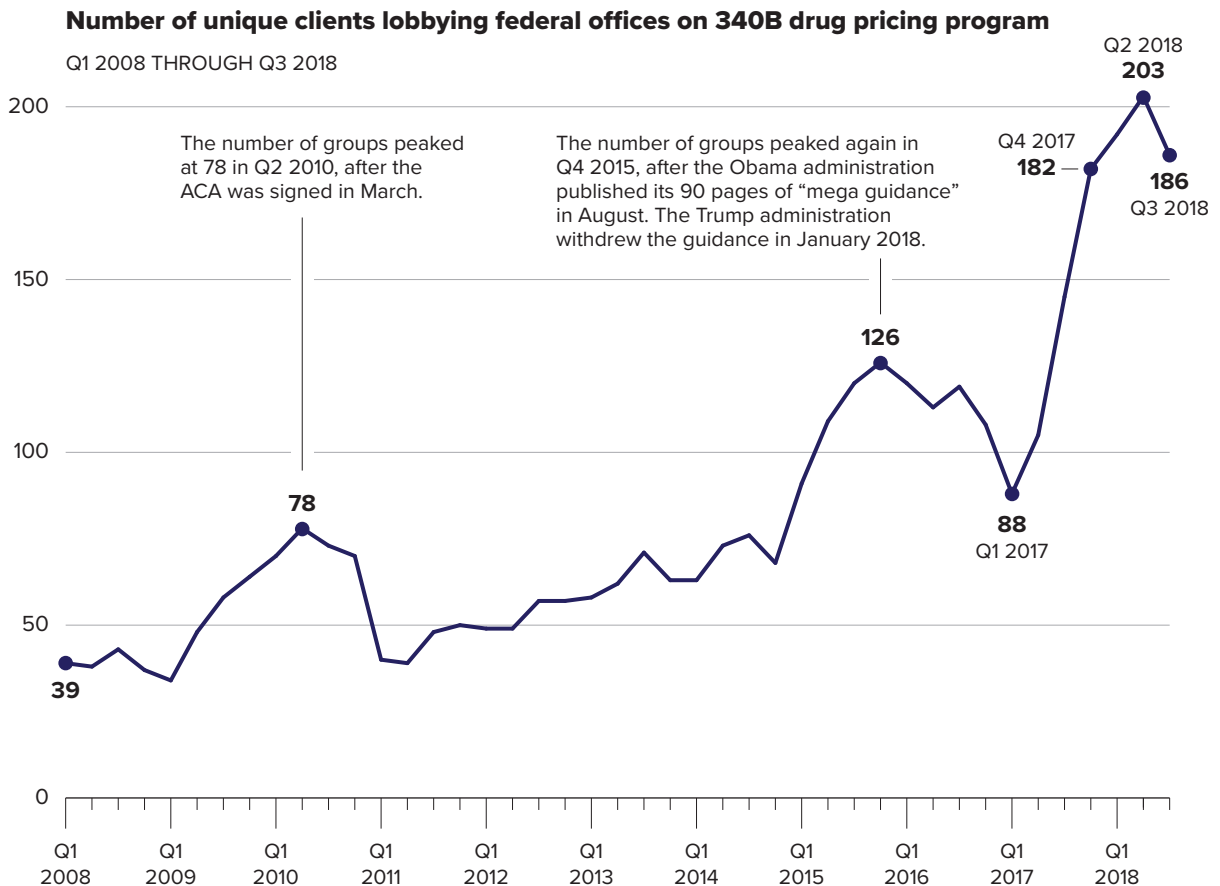
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## 340B Lobbying Surges in 2018 Amid Proposed Cuts

The number of groups lobbying federal offices on the 340B drug pricing program surged in 2018, reaching 203 organizations in the second quarter of 2018 and dipping to 186 in the third quarter. The Trump administration first proposed cuts to the program last year, in addition to the cuts that CMS proposed in July. The 340B program requires pharmaceutical companies participating in Medicaid to sell outpatient drugs at a reduced cost to eligible health care providers that serve a disproportionate share of low-income and under-insured patients. The drug industry has argued that 340B has grown too large in recent years and that participating hospitals aren't doing a good job of sharing the savings with patients.

The latest proposed 2019 Outpatient Prospective Payment System rule would slash Medicare Part B drug payments to off-campus hospital outpatient facilities covered by the 340B program by nearly 30 percent. The move was touted as the Trump administration's latest step to help reduce the cost of prescription drugs.

Late last year, CMS implemented a rule that slashed payment for Medicare Part B drugs to 340B hospitals effective Jan. 1, triggering ongoing litigation that maintains the cuts will hurt patient care and threaten the bottom line of safety net hospitals.



Sources: Senate Lobbying Disclosure Act Database, POLITICO Pro staff reports (Sarah Karlin-Smith)

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