

To: House Committee on Health and Human Services
From: Care New England
Date: April 10, 2025
Subject: **CNE Support for H 5634**

Dear Chairwoman Donovan and members of the Committee,

Care New England (CNE) appreciates the opportunity to testify on H 5634 and we would like to thank Representative Brien for his efforts on this bill over the last few years. **CNE is supportive of H 5634** and we are pleased to stand alongside numerous Rhode Island 340B health system partners in this effort.

Care New England (CNE) Health System is a trusted, integrated health care organization that fuels the latest advances in medical research, attracts the nation's top specialty-trained doctors, hones renowned services and innovative programs, and engages in the important discussions people need to have about their health. CNE is helping to transform the future of health care, providing a leading voice in the ongoing effort to ensure the health of the individuals and communities we serve. With over 8,000 employees throughout Rhode Island, we are the fourth largest employer and second largest health system in the Ocean State.

Section 340B of the Public Health Service Act¹ requires pharmaceutical manufacturers participating in Medicaid to sell outpatient drugs at discounted prices to health care organizations that care for many uninsured and low-income patients." This program (often referred to simply as "340B") is a vital lifeline for safety-net providers, supporting critical health services in our communities. Savings from 340B help hospitals and community health centers meet the healthcare needs of underserved patients across the country.

CNE uses our 340B savings to provide care for our low-income and otherwise vulnerable patients. We have enhanced our Charity Care policy for prescriptions dispensed to our 340B patients through the Care New England Pharmacy, LLC. Uninsured and indigent patients receive their prescriptions and medical services free of charge or at a significantly reduced price. Additionally, we have embedded pharmacy liaisons in our ambulatory clinics to facilitate prescriptions for specialty medications. Our 340B savings has helped support the following services at our hospitals:

- Women and Infants Hospital - Breast health, neonatal intensive care unit, high risk pregnancy, obstetric and gynecologic care, oncology care, behavioral health, primary care, and gastrointestinal care.
- Kent Hospital - Breast health, emergency room services, cardiology, intensive care, general medicine, surgery, and wound care.
- Pawtucket and Providence ambulatory sites - Cardiology, orthopedics, internal medicine, oncology care, women's care, family planning, pulmonary, neurology, pain, primary care, and infectious disease.



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The 340B program enables hospitals and community health centers to provide critical programs to Rhode Island's communities in most need, while carrying no cost to taxpayers. Considering that 340B drugs account for less than 3% of total U.S. drug salesⁱⁱⁱ, this program is tremendously beneficial to patients while providing minimal disruption to healthcare economics.

CNE supports H 5634 and encourages the committee to pass this critical healthcare initiative. We are appreciative of the opportunity to provide testimony and if you have any questions, please feel free to reach out to Robert Dulski, Director of Government Affairs for CNE, RDulski@CareNE.org. Thank you.

Sincerely,



Robert Dulski
Director, Government Affairs
Care New England

ⁱ <https://www.hrsa.gov/sites/default/files/hrsa/rural-health/phs-act-section-340b.pdf>

ⁱⁱ <https://www.aha.org/fact-sheets/fact-sheet-340b-drug-pricing-program>

ⁱⁱⁱ <https://www.aamc.org/news/340b-helps-most-vulnerable-patients>



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