



May 28, 2025

Illinois General Assembly
House Human Services Committee
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(HEAL) Group
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National ADAP Working Group (NAWG)

Sent Via Electronic Mail

RE: HR0158 - Support

Dear Honorable Chair Costa Howard, Vice Chair LaPointe, Spokesperson Hammond, Members of the House Human Services Committee, and your respected staff,

Today, we respectfully write in **Support** of **HR0158**, which as written Directs the Auditor General to conduct a comprehensive investigation of the utilization of the 340B Drug Pricing Program by covered entities within Illinois to ensure the program appropriately serves patients, particularly those living with HIV and other chronic health conditions.

The Community Access National Network (CANN) is a 501(c)(3) national nonprofit organization focusing on public policy issues relating to HIV/AIDS and viral hepatitis. CANN's mission is to define, promote, and improve access to healthcare services and support for people living with HIV/AIDS and/or viral hepatitis through advocacy, education, and networking.

While CANN is primarily focused on policy matters affecting access to care for people living with and affected by HIV, we stand in firm support of all people living with chronic and rare diseases and recognize the very reality of those living with multiple health conditions and the necessity of timely, personalized care for every one of those health conditions. The 340B Drug Pricing Program is of profound importance to our community.

Abuse is rampant in the 340B Drug Pricing Program, as has been outlined in a [recent report from Chairman Bill Cassidy of the Senate Health, Education, Labor and Pensions Committee](#) (HELP) which requested a comprehensive understanding of where the dollars generated by this program flow and how such revenue benefits patients. The information gathering included letters requesting information and data from hospital covered entities, health centers, large for-profit chain pharmacies, and pharmaceutical manufacturers.

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Based on written responses and the accompanying documents produced pursuant to Chairman Cassidy's investigation, BSMH and Cleveland Clinic each generated hundreds of millions of dollars in 340B savings and revenue from the 340B Program between 2018 and 2023. In responses to Chairman Cassidy's letter, both BSMH and Cleveland Clinic explained that it "does not directly pass on all savings generated from the 340B Program to patients in the form of savings on health care expenses." In CVS's response to Senator Cassidy they raked in more than 350 million in TPA fees, highlighting the need for accountability and transparency.

HR0158 supports the well recognized need for accountability and transparency to reign in the proliferation from the agreements between covered entities, contract pharmacies Third Party Administrators (TPAs), and Pharmacy Benefit Managers (PBMs) who are exploiting their spread pricing practices to extract the value of the 340B program away from the impoverished patients it was enacted to serve.

Chairman Cassidy's investigation underscores that there are transparency and oversight concerns that prevent 340B discounts from translating to better access or lower costs for patients. Congress needs to act to bring much-needed reform to the 340B Program to ensure this federal program works as intended.

To be clear, CANN supports a strong 340B program. When 340B operates the way it is intended, safety-net providers thrive, and vulnerable communities, and families gain access to healthcare they might otherwise not have. CANN welcomes discussion on instituting appropriate guardrails into legislation that would serve to strengthen the program, shield good stewards, and hold accountable bad actors within the appropriate limitations of state powers associated with this federal program.

We would be happy to discuss this legislation or any other matters of public health, please feel free to reach out by email or phone at kalvin@tiican.org, 913-954-8816, or jen@tiicann.org, 313-333-8534.

Respectfully submitted,



Sincerely,
Calvin Pugh
Director of State Policy, 340B
Community Access National Network (CANN)

On behalf of
Jen Laws
President & CEO
Community Access National Network