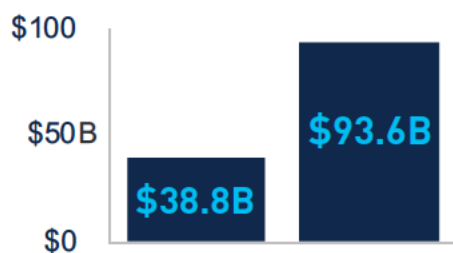


# 340B Program at a Glance



*The 340B program has experienced substantial change over the past 10 years. Through growth in contract pharmacy operations, introduction of new hospital eligibility pathways and expansion of Medicaid, total 340B program sales have increased from \$5.3 billion in 2010 to over \$38 billion in 2020. Below are key statistics on the current state of the 340B program.*



**\$38.8B** in discounted 340B program sales in 2020 which equates to **\$93.6B** in gross sales



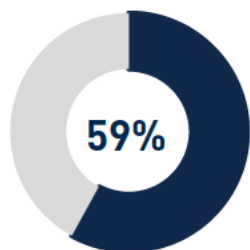
**217%**

growth in 340B sales over the last 5 years



**Over half**

of all US hospitals are enrolled in the 340B program today



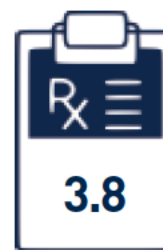
**59%**

average discount off list price for drugs purchased at the 340B price



**1 in 3**

for-profit pharmacies participate in 340B as a contract pharmacy



**3.8**

average mark-up 340B covered entities realize on physician-administered drugs



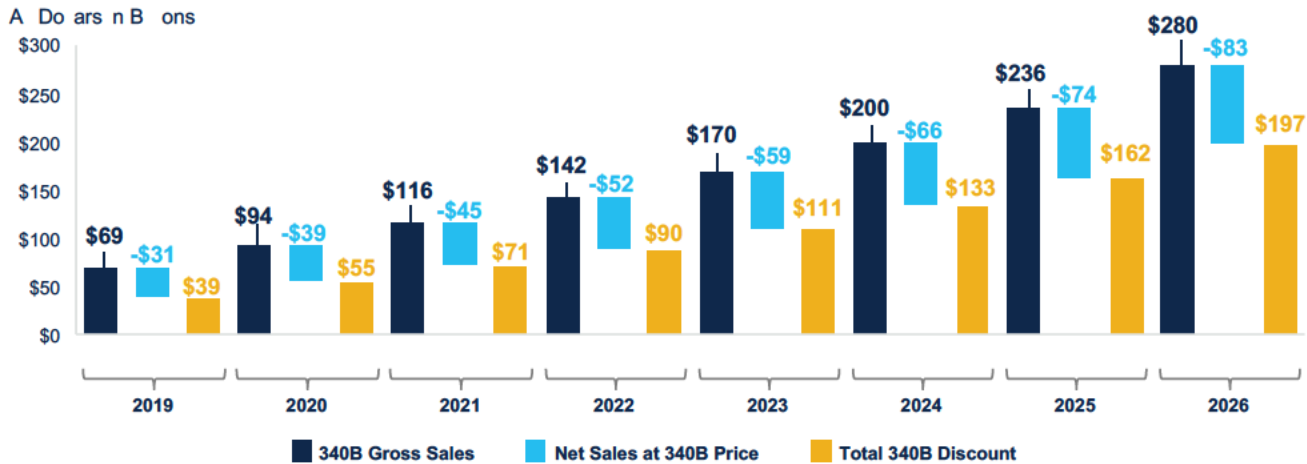
- Gross and net 340B sales figures and overall 340B program growth are based off BRG analysis of net program sales as reported by Drug Channels available at: <https://www.drugchannels.net/2021/09/exclusive-340b-program-soared-to-38.html>.
- Hospital and pharmacy enrollment figures are based on BRG analysis of HRSA enrollment data, CMS cost reports and the NCPDP pharmacy registry.
- Average mark up on physician-administered drugs is based on analysis reported by the Community Oncology Alliance available at <https://communityoncology.org/hospital-340b-drug-profits-report/>

# 340B Program Outlook

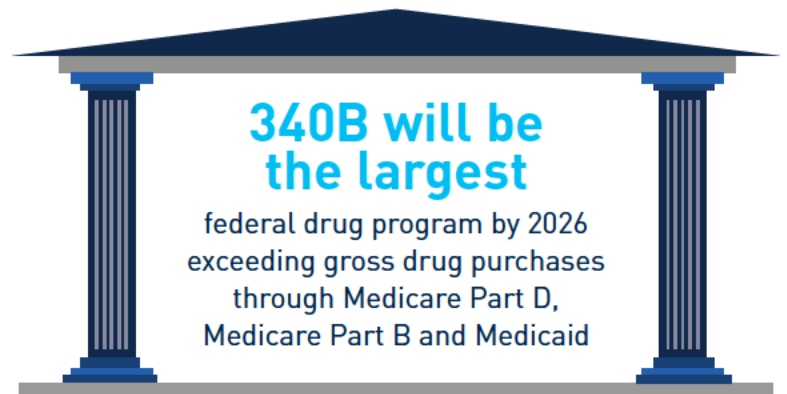


*Using historical trend analysis of the 340B program and projections for future utilization of medicines in the US, BRG experts forecasted 340B program sales through 2026. Provided below are key statistics on the future state of the 340B program.*

## FORECASTED GROWTH OF NET AND GROSS 340B SALES



**1 in 3**  
brand drugs will be  
purchased at the 340B  
price by 2025



**340B will be  
the largest**  
federal drug program by 2026  
exceeding gross drug purchases  
through Medicare Part D,  
Medicare Part B and Medicaid



**340B  
profits**  
will exceed profits on all  
other drug purchases  
combined in 2022



**\$10B** in 340B profits estimated  
to be captured by for-profit contract  
pharmacies in 2022

- Drug discounts and forecasted program sales are based on BRG's analysis of medical and pharmaceutical claims data, HRSA registration data, and pricing information from the Gold Standard Drug Database.
- Medicare and Medicaid figures are based off data and estimates released by CMS and CBO.

The mission of the 340B Industry Roundtable is to promote better understanding about operations and developments related to the federal 340B Drug Pricing Program and enable its members to make more efficient, competitive, and independent business decisions regarding the 340B Program in compliance with applicable laws and regulations. All information contained in this edition of the Forecast Report is derived from appropriate sources, including information published by third parties/ subscription services, publicly available information and reports, and observations and analysis by BRG staff that do not violate any confidentiality obligations BRG owes to its clients and are appropriately aggregated and anonymized.

Disclaimer: The opinions expressed in this publication are those of the individual author(s) and do not represent the opinions of BRG or its other employees and affiliates. The information provided in the publication is not intended to and does not render legal, accounting, tax, or other professional advice or services, and no client relationship is established with BRG by making any information available in this publication, or from you transmitting an email or other message to us. None of the information contained herein should be used as a substitute for consultation with competent advisors.