CHAMBER HILL

INSIGHTS

Senate HELP Committee Hearing on the 340B Program

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On October 23, 2025, the Senate HELP Committee held a hearing to examine the 340B Program's growth and impact on patients. The members heard testimony on how the program functions as well as some current challenges that have been identified. There was strong bipartisan support for the continuation of the program, but there were also calls from both sides of the aisle for careful regulations to ensure the program's continuing success.

OPENING STATEMENTS

- Chairman Bill Cassidy (R-LA)

WITNESS TESTIMONY

- Ms. Michelle Rosenberg, Director, Health Care, U.S. Government Accountability Office (GAO) – Testimony
- Dr. Aditi Sen, Chief, Health Policy Studies Unit, Congressional Budget Office (CBO) – Testimony
- Mr. William B. Feldman, Physician and Health Policy Researcher, University of California, Los Angeles – Testimony

MEMBER DISCUSSION

The most common line of questioning from members, including Sen. Tuberville (R-AL), Sen. Murkowski (R-AK), Sen. Kim (D-NJ), Sen. Collins (R-ME), and Sen. Banks (R-IN), was regarding how 340B Program facilities use the savings from the program in their operating budgets. Ms. Rosenberg responded each time that there are no specific requirements in the program on how to use the funds, and Dr. Sen elaborated that the CBO does not have the data required to have a full understanding of how different entities are using the funds. Sen. Hassan (D-NH) suggested that reporting requirements for revenue generated by the program could increase transparency and guide future regulations on its use.

Sen. Baldwin (D-WI), who is a member of a bipartisan 340B working group, raised concerns about the new 340B Rebate Model Pilot Program, which requires program participants to purchase pharmaceuticals at market price and receive a rebate later, creating greater upfront costs. Dr. Feldman shared these concerns and suggested a 3rd party clearing house could be a solution to ensure that pharmaceutical companies and health care providers are able to reach equitable agreements.

Sen. Marshall (R-KS) suggested that creating a definition of a patient under the program, considering factors such as recency or frequency of visits, could aid in regulating eligibility requirements. Dr. Sen agreed but cautioned that any narrowing of the definition would have implications that would need to be understood.

When asked by Sen. Kaine (D-VA) and Sen. Baldwin about recommendations for 340B program reforms, Ms. Rosenberg suggested the 15 recommendations GAO previously made to HRSA, through reports on June, 28 2018, January 10, 2020, and January 27, 2020, that have not been implemented. These include addressing duplicate discount policies, more auditing of contracts and hospital systems, and more data collection on cost savings and use. Sen Hickenlooper (D-CO) continued this line of questioning with the need for more HRSA oversight, which requires authorization to impose regulations and staffing levels to uphold them.

Sen. Kim, Sen. Murray (D-CT), Sen. Markey (D-MA), and Sen. Alsobrooks (D-MD) all discussed how stretched 340B hospital systems' budgets are, and they raised concerns about how policy decisions such as not renewing advance premium tax credits (APTCs) could make things worse. Dr. Feldman agreed and stressed that any increase in the uninsured population would lead to providing more uncompensated care and a larger burden on the providers in those systems. Sen. Collins and Sen. Murkowski were concerned that regulations limiting 340B hospitals would have a disproportionate impact on rural hospitals that rely more heavily on the 340B program to provide care to their patients.

We trust you found this summary useful. Please reach out to us with any questions.