



Los Angeles Area Chamber of Commerce



ORANGE COUNTY BUSINESS COUNCIL
The Leading Voice of Business

“UPDATED”

April 12, 2018

The Honorable Joaquin Arambula
California State Assembly
State Capitol, Room 5155
Sacramento, CA 95814

**SUBJECT: 2018-2019 State Budget – Eliminating 340B Drug Discount Program from the Medi-Cal Program
OPPOSE**

Dear Assemblymember Arambula:

The California Chamber of Commerce and the listed organizations **OPPOSE** the Department of Health Care Services (DHCS) trailer bill language that would eliminate the 340B Drug Discount Program in Medi-Cal. The trailer bill language would prohibit providers from purchasing discounted drugs through the 340B program for Medi-Cal managed care and fee-for-service patients. Instead, those 340B providers would be forced to purchase drugs at a higher cost.

Many of these providers are in underserved areas and provide the only access to health care in the community. The shift of 340B Drug Discount savings from those providers to the state could have a devastating effect on those providers who use the savings to keep their doors open and to provide care.

In addition, beyond our primary concern of access to health care, the providers play an important role in the economic health of a community. The proposal could cause a loss of jobs or reduced hours for the staff.

Sincerely,

California Chamber of Commerce
Los Angeles Area Chamber of Commerce
Orange County Business Council
Rancho Cordova Chamber of Commerce
San Diego Regional Chamber
Torrance Area Chamber of Commerce

cc: Donna Campbell, Office of the Governor
Andrea Margolis, Consultant, Assembly Budget Subcommittee #1
Alex Kahn, Assembly Republican Caucus
District Offices, Members, Assembly Budget Subcommittee #1

SM:ldl



Los Angeles Area Chamber of Commerce



“UPDATED”

April 12, 2018

The Honorable Richard Pan
California State Senate
State Capitol, Room 5114
Sacramento, CA 95814

**SUBJECT: 2018-2019 State Budget – Eliminating 340B Drug Discount Program from the Medi-Cal Program
OPPOSE**

Dear Senator Pan:

The California Chamber of Commerce and the listed organizations **OPPOSE** the Department of Health Care Services (DHCS) trailer bill language that would eliminate the 340B Drug Discount Program in Medi-Cal. The trailer bill language would prohibit providers from purchasing discounted drugs through the 340B program for Medi-Cal managed care and fee-for-service patients. Instead, those 340B providers would be forced to purchase drugs at a higher cost.

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cc: Donna Campbell, Office of the Governor
Scott Ogus, Consultant, Senate Budget Subcommittee #3
Anthony Archie, Senate Republican Caucus
District Offices, Members, Senate Budget Subcommittee #3

SM:ldl