





"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

Showmodux

Torrance Area Chamber of Commerce

cc: Donna Campbell, Office of the Governor

Andrea Margolis, Consultant, Assembly Budget Subcommittee #1

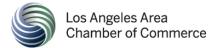
Alex Kahn, Assembly Republican Caucus

District Offices, Members, Assembly Budget Subcommittee #1

SM:ldl













"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.

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

Scott Ogus, Consultant, Senate Budget Subcommittee #3

Anthony Archie, Senate Republican Caucus

District Offices, Members, Senate Budget Subcommittee #3

SM:ldl