



FOR IMMEDIATE RELEASE

Contact: Howard Mosby, HEAL Collaborative

New State-Level Analysis Reveals 340B Hospitals Increase Hospital Assets While Reducing Patient Care Spending

HEAL Collaborative Study Shows Hospital Assets Rose Nearly 40% While Uncompensated Care Fell 15% Between 2014-2022

(Washington, DC) – March 17, 2026 – A new [state-by-state analysis](#) released today by HEAL Collaborative provides further insight into how hospitals participating in the 340B program are allocating resources. The study, titled "*The 340B Drug Pricing Program by State: How Covered Entities Are Failing to Invest in Patient Care*," was conducted by Magnolia Market Access and provides the first detailed look at how hospitals participating in the federal 340B drug discount program are utilizing program revenues at the state level.

The 340B program was created in 1992 and allows covered entities and safety-net providers to purchase outpatient drugs at a discount. The savings are supposed to help low-income and uninsured patients served by these safety net providers. Limited transparency in the program has allowed some participating entities to benefit from the program.

The analysis reveals that certain 340B hospitals are failing to reinvest drug discount savings into patient care, with average hospital assets increasing by nearly 40% while average uncompensated care per bed fell almost 15% between 2014 and 2022. The findings raise serious concerns about whether the program is fulfilling its intended purpose of improving care for vulnerable and underserved populations.

Key Findings:

- Hospital covered entities increased their assets in 48 states and the District of Columbia, but increased spending on uncompensated care in only 14 states.
- Average uncompensated care provided by these hospitals decreased by nearly 15% per bed. Such decreases occurred in 36 states and DC, ranging from less than 1% in West Virginia to approximately 62% in Hawaii.
- Several states, including Alaska, California, Delaware, New Mexico, and DC, saw hospital assets increase by more than 70% while experiencing double-digit decreases in uncompensated care.
- The 340B program has grown exponentially with little benefit to vulnerable populations. The 340B program is the second-largest federal prescription drug program, second only to Medicare Part D, and is now larger than Part B, Medicaid, and TRICARE.



"The data tells a troubling story about the disconnect between the 340B program's explosive growth and its impact on patient care," said Howard Mosby, Chief Operating Officer of HEAL Collaborative. "When we see hospital assets climbing dramatically while uncompensated care spending falls in the vast majority of states, it's clear that vulnerable patients – the very people this program was designed to help – are not receiving the benefit. This analysis provides policymakers with the state-specific evidence they need to demand accountability and reform."

The analysis finds that the 340B program has expanded dramatically since its creation. In 1992, just 213 parent covered entities participated. By 2023, that number had grown to 8,322 parent covered entities, illustrating the program's rapid expansion and raising questions about whether it remains focused on its original mission of supporting vulnerable patients. Yet despite this massive growth and the billions of dollars flowing through the program, there are no federal requirements for 340B hospitals to reinvest savings in services that improve care for vulnerable populations or to pass savings to patients.

The lack of commitment to uncompensated care disproportionately affects minority, low income, and disabled patients who were intended to benefit from the 340B program. In a recent Senate HELP Committee report, investigated hospitals claimed that "Congress did not design the 340B program to provide direct savings to patients," highlighting the absence of accountability measures.

HEAL Collaborative is calling on both state and federal policymakers to reconsider the rules governing the program to ensure 340B revenue is being used appropriately to benefit vulnerable patient populations.

Read the full analysis [here](#).

About HEAL Collaborative

HEAL Collaborative is a nonprofit organization focused on Health Education Advocacy and Learning. Our community-based service is simply to improve the health of our communities through education and meaningful partnerships with faith-based organizations by leveraging culturally relevant health education resources to help underserved communities: 1. Learn about healthy lifestyles, wellness, chronic disease prevention and management through workshops and training; 2. Navigate local healthcare systems and access the latest medical treatments and technologies; 3. Learn about early detection, treatment options, health screenings, and clinical trial enrollment. Additionally, we advocate for improvements in healthcare quality, accessibility, and affordability. This advocacy includes outreach to policymakers and medical leaders.



For more information, please visit www.healcollaborative.org.

###