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Illinois Health and Hospital Association
Testimony – IHA 340B Legislation HB 2371 SA2
Senate Executive Committee
May 28, 2025**

Good afternoon, Madam Chair and members of the committee.

Thank you for the opportunity to speak with you today on behalf of the Illinois Health and Hospital Association and our members across the state.

For all 340B hospitals—including Safety Net Hospitals, Critical Access Hospitals, tertiary and quaternary centers—the stakes of this legislation could not be higher.

As you’ve heard from hospitals and FQHCs throughout this legislative session, the 340B program is critically important for providers across the state.

And I want to be very clear about what we’re seeking in this legislation.

Simply put, we are only looking to preserve the status quo—by restoring the program to how it operated for years before drug manufacturers began to arbitrarily limit the number of contract pharmacies hospitals could partner with.

We’re not asking for any changes to the 340B program itself as the opposition would like you to believe.

We simply want the ability to continue the partnerships with local pharmacies that allow us to serve our patients.

Unfortunately, as you’ll hear from one of our Safety Net Hospital leaders, these Big Pharma restrictions are creating very real challenges.

They limit access to affordable medications and strain hospitals’ ability to provide prescription drugs to their patients—as well as comprehensive healthcare services and essential programs in their communities.

For one of our Critical Access Hospitals, these restrictions have resulted in a 75% drop in savings from the program, forcing the hospital to re-evaluate current service lines.

Instead, those dollars are going into the pockets of drug manufacturers, many of whom are located in foreign countries.

You've all heard the arguments for and against this bill over the past few weeks, so I don't want to spend the committee's time on those arguments.

What I do want to say is that we've addressed Big Pharma's misleading claims and baseless accusations.

We are the most regulated industry in the country – and there are strict requirements imposed on hospitals under the 340B program.

- We follow the rules.
- We embrace transparency.
- And we embrace reporting requirements.

All we are asking from the General Assembly is to get this program back to where it was before Big Pharma made these unilateral changes to restrict the program and pad their profits.

And the 14 states that have enacted similar legislation did so for the same reason we're bringing this forward in Illinois – to preserve access to lifesaving drugs and to provide financial relief to hospitals and their patients.

That's what this bill is about, period.

Now I'd like to turn it over to Sameer Shah, President of Mt. Sinai Hospital, to give you a clear picture of what's at stake for his hospital—and to share how Sinai Chicago is using 340B savings to support critical programs in the community.

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