Illinois Health and Hospital Association

Every day, hospitals go above and beyond for their patients. Take the case of a critically ill patient who received 47 days of care at OSF HealthCare Saint Francis Medical Center in Peoria for a serious brain infection. The patient had no insurance, so the hospital's care team coordinated a Medicaid application.

At discharge, the patient needed a 30-day supply of expensive antibiotics and antiviral drugs—quoted at nearly $16,000 for self-pay—but which the hospital could offer through the federal 340B drug discount program for nearly $12,000. It was still beyond the patient's means, so the hospital secured a donor to cover the cost.

While hospitals and health systems are working to ensure patients have the best possible health outcomes, pharmaceutical companies are coming up with ways to limit lifesaving medications for patients. Drugmaker restrictions began in 2020, nearly 30 years after the 340B program was created to help hospitals and other healthcare providers serving uninsured and low-income patients increase access to care and enhance services.

"Several of our hospitals are eligible to participate in the 340B Program as they provide a disproportionate share of care to indigent and self-pay patients," said Amy Krantz, Manager of Strategic Reimbursement. "Additionally, we have Critical Access Hospitals that are eligible to participate in the 340B program as they are typically in rural, underserved areas that often have a high percentage of patients with Medicaid and Medicare coverage."

Eleven of OSF HealthCare's 16 hospitals participate in the 340B program:

- OSF HealthCare Little Company of Mary Medical Center in Evergreen Park
- OSF HealthCare Sacred Heart Medical Center in Danville
- OSF HealthCare Heart of Mary Medical Center in Urbana
- OSF HealthCare Saint Francis Medical Center in Peoria
- OSF HealthCare Saint Anthony Health Center in Alton
- OSF HealthCare Holy Family Medical Center in Monmouth
- OSF HealthCare Saint Mary Medical Center in Galesburg
- OSF HealthCare Saint Luke Medical Center in Kewanee
- OSF HealthCare Saint Clare Medical Center in Princeton
- OSF HealthCare Saint Paul Medical Center in Mendota
- OSF HealthCare Saint Elizabeth Medical Center in Ottawa

The annual savings among those hospitals ranges from $30,000 to $630,000, depending on the facility's size, the size of outpatient and provider clinics, as well as the medications prescribed and the facility's prescription volume.

In 2023, OSF HealthCare experienced a 31% decrease in drug discount savings as a result of drugmaker restrictions, such as limiting hospitals to only one contract pharmacy within a defined mileage radius.

"The reduction in revenue directly impacts our ability to consistently fund programs aimed at improving access to healthcare in

our rural communities or fund patient assistance programs," said OSF HealthCare, a Peoria-based Catholic health system founded by The Sisters of the Third Order of St. Francis.