



July 23, 2020

United States Senate Washington, D.C. 20510

Dear Senator:

On behalf of the Catholic Health Association of the United States (CHA), the national leadership organization of more than 2,200 Catholic health care systems, hospitals, long-term care facilities, sponsors, and related organizations, I am writing to express our strong support for the bipartisan bill (S. 4160) introduced by Senators Thune (R-SD), Baldwin (D-WI), Moore-Capito (R-WV), Cardin (D-MD), Portman (R-OH) and Stabenow (D-MI) which will protect 340B hospital eligibility during the COVID-10 pandemic. The legislation helps to ensure that critical safe-net hospitals which postponed most elective procedures as a result of the COVID-19 pandemic will remain eligible for the 340B program.

The 340B program provides access to drug price discounts for safety net and rural hospitals to serve their patients and communities. Many of these hospitals qualify for these 340B drug price discounts because they serve a disproportionally large percentage of patients who are low-income and enrolled in Medicaid and Medicare Part B programs. However, as a result of the COVI-19 pandemic, many of these hospitals have been forced to cancel or suspend elective procedures and risk losing their eligibility for the 340B program because of a change in their patient mix. Senate Bill 4160 will address this concern by allowing these hospitals to remain eligible for the 340B program.

Many Catholic hospitals rely on savings provided by the 340B program to provide services in remote or low-income areas, offer generous financial aid policies or maintain critical services that operate at a financial loss. The 340B program plays a crucial role in providing access to health care in the communities served by the ministry.

At a time when health care and federal resources are stretched thin, we urge you to continue to support the critical work of safety net hospitals by including the provisions of S. 4160 in any additional legislation to respond to the multiple challenges created by COVID-19 pandemic.

Sincerely,

Sr. Mary Haddad, RSM President and CEO