

HENRY FORD HEALTH

2024 Impact Profile: The 340B Discount Drug Program

Henry Ford Health: Founded in 1915 by auto pioneer Henry Ford, Henry Ford Health is a non-profit corporation and integrated healthcare delivery system headquartered in Detroit, Michigan. Henry Ford Health serves the metropolitan Detroit and Jackson regions of Michigan and is among Michigan's largest and most diverse employers with over 33,000 valued employees. The system has five acute care hospitals—including our flagship hospital, Henry Ford Hospital, a large academic safety net hospital located within the city of Detroit—and medical clinics located across Southeast and South Central Michigan.

Three of our hospitals qualify for the 340B Drug Discount Program (340B). Henry Ford Hospital (HFH) and Henry Ford Jackson Hospital (HFJH) both qualify as high-Medicaid Disproportionate Share Hospitals. HFH and HFJH have a long and distinguished history of serving as safety net hospitals for vulnerable people living in their communities. There are no public hospitals in Detroit and Jackson, so the few private hospitals in these cities share the responsibility of providing charity care and other forms of uncompensated care in these cities as well as in the surrounding communities. Henry Ford Wyandotte Hospital (HFWH) qualifies as a rural referral center; it became eligible in 2018. HFWH provides healthcare services to low income individuals who are not eligible for Medicaid or Medicare and meets the high disproportionate share adjustment percentage required to qualify for 340B.

Without 340B discounts, Henry Ford Health would not be able to provide the breadth of charity care, other uncompensated care, and community benefit services that we currently provide. While the 340B discounts offset only a portion of our total uncompensated care costs, the program savings give us the flexibility to provide charity care and other forms of uncompensated care for the most vulnerable patients we serve including:

- Providing charity care to cover patient copayments, coinsurance, deductibles, and, in some cases, to fully cover patient healthcare costs
- Providing free and reduced cost medications to underserved patients across the system
- Providing reduced cost medical and behavioral healthcare across the system to the uninsured and underinsured
- Embedding pharmacists in primary care and specialty clinics in Detroit to optimize treatment of chronic diseases and expand patient access through face-to-face appointments
- Expanding an internal Medication Therapy Management program to support patient adherence and compliance
- Expanding Specialty Pharmacy to include hub teams (a dedicated team that specializes in a particular disease state) for most disease states to ensure patient compliance and monitoring
- Operating a comprehensive hemophilia treatment center to provide care for this vulnerable part of the community
- Providing additional services for all patients including the Meds to Beds program, home delivery, and courier services
- Helping to cover implicit price concessions (bad debt/uncollected patient payments) from patients who cannot afford to pay for the full cost of care
- Helping to fund and staff local community health centers, also known as Federally Qualified Health Centers (FQHCs)
- Operating school-based and community health programs in child and adolescent health centers and mobile medical units
- Leading our community to better health and well-being at every stage through regular health fairs, screenings, and outreach

For Henry Ford Health, the 340B program is immensely valuable. It is an essential part of the delicate balance of benefits and expenses that allows our health system to provide charity care as a not-for-profit healthcare system. Charity care, one component of our uncompensated care programs, has always been, and will continue to be, a core part of our mission.

ANY restriction on the 340B Discount Drug program would have the effect of reducing Henry Ford Health's ability to provide needed services in the communities we serve, and most importantly, charity care to the underserved.