

Improving Insulin Affordability for Vermonters

- Vermont hospitals buy insulin at drastically reduced prices through the federal 340B program
- We propose requiring hospitals to pass these savings on to Vermonters
- This will improve access to affordable insulin for Vermonters with diabetes

Insulin is Unaffordable for Vermonters

- Insulin prices have skyrocketed over the past decade
- As insurance plans' out of pocket costs increase, fewer insured Vermonters can afford insulin
- High costs cause patients to ration and forgo insulin which can lead to severe health issues¹

Referencing 340B Prices to Lower Insulin Costs for Vermonters

- We propose requiring hospitals to sell 340B-eligible insulin to their patients at 150% of the 340B price plus a reasonable dispensing fee
- This has the potential to drastically lower prices and increase insulin access for Vermonters
- Implementing this model for *insulin only* should not have a material impact on hospitals

The 340B Program

- The 340B program requires drug manufacturers to sell certain drugs to eligible hospitals² at drastically reduced prices
- Generally, hospitals sell the reduced-price drugs to consumers at their retail prices,³ retaining the revenue
- The 340B program allows this money to be used to reduce the price of pharmaceuticals for patients, expand services offered to patients, or provide services to more patients⁴

Insulin access is important for Vermont and Vermonters

- Over 40,000 adult Vermonters have diabetes⁵ and diabetes is one of the leading causes of death resulting from a chronic disease⁶
- Improving diabetes prevalence and management are goals of Vermont's all-payer model agreement with the federal government

For more information, contact:

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¹ Uncontrolled diabetes can lead to blindness, limb amputation, and even death. Mayo Clinic. Diabetes.

<https://www.mayoclinic.org/diseases-conditions/diabetes/symptoms-causes/syc-20371444>

² Health Resources & Services Administration (HRSA). 340B Eligibility. <https://www.hrsa.gov/opa/eligibility-and-registration/index.html>

³ National Average Drug Acquisition Cost (NADAC)

⁴ U.S. Department of Health & Human Services. 340 B Drug Pricing Program. <https://www.hhs.gov/opa/grants-and-funding/340b-drug-pricing-program/index.html>

⁵ Vermont Department of Health. Diabetes Surveillance in Vermont. <https://www.healthvermont.gov/health-statistics-vital-records/surveillance-reporting-topic/diabetes>

⁶ Vermont Department of Health. Diabetes Surveillance in Vermont. <https://www.healthvermont.gov/health-statistics-vital-records/surveillance-reporting-topic/diabetes>