

# Virginia

## A comparison of 340B disproportionate share hospital and non-340B hospital spending

340B hospitals mark up prescription drug prices and pocket the revenue. To see if patients benefit, Community Action for Responsible Hospitals analyzed public data on **Virginia hospitals' revenue growth, financial investments, charity care, and workforce.**

**Our findings expose a system rigged against Virginia families.**

### MONEY IN FROM PATIENTS



Hospitals use 340B as a profit engine.

- Virginia's 340B hospitals reported **59%** (Table 1a) higher patient revenue than non-340B hospitals.
- These hospitals netted an average of **\$839 million** in revenue – nearly triple the **\$254 million** reported by non-340B hospitals.

### MONEY OUT TO WALL STREET



340B dollars are funneled into Wall Street portfolios.

- Virginia's 340B hospitals invested **119%** (Table 1b) more revenue into stocks and bonds on average, than non-340B hospitals.
- On average, these hospitals invested **\$84.8 million**, compared to just **\$17.8 million** by non-340B hospitals. (Figure 1).

Figure 1: Average investments by 340B DSH v. non-340B hospitals in VA

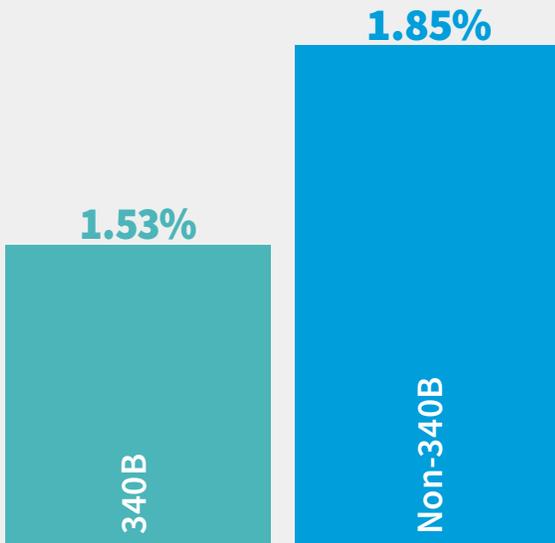


**HOW DO THEY PROFIT?** → **MARKUPS**

Bon Secours can make **\$22,000 in profit on a single vial of cancer medicine** - at the same time it's CEO takes home **nearly \$13 million a year.**

## BARELY THERE CHARITY CARE

Figure 2: Average charity care provided by 340B DSH v. non-340B hospitals in VA



**340B dollars are not used to help low-income and uninsured patients access medicine.**

- Despite higher revenues, 340B hospitals dedicated only 1.53% of net patient revenue to charity care compared to 1.85% at non-340B hospitals (Figure 2).

## REWARDING EXECUTIVES, IGNORING WORKERS

**340B dollars are not reinvested in frontline caregivers or the hospital workforce.**

- Virginia's 340B hospitals relied on **145%** more contract workers (including agency nurses), on average, compared to non-340B hospitals. (Table 3b).

## DID YOU KNOW?

Virginia's Sentara Health CEO took home more than

**\$6 million**

in a single year – more than

**60X**

what the average nurse earns.

**Virginia's 340B disproportionate share hospitals take in far more revenue than their peers, but deliver no more in charity care or gains for workers. Instead of supporting patients, 340B dollars are steered into Wall Street investments - not community benefit.**

### Sources

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