# GOP Senate, House Lawmaker Inquiry Reveals Weak Administration Oversight of Drug Discount Program for Uninsured, Low-Income Americans

*Department of Health and Human Services' Office of the Inspector General releases report today showing major problems in discount drug program serving the poor, uninsured*

WASHINGTON, Feb. 5 – A group of Republican Senate and House lawmakers released statements today in response to a report the lawmakers requested of the Office of the Inspector General (IG) of the Department of Health and Human Services (HHS). The lawmakers asked the IG to look into the Health Resources and Services Administration's (HRSA) oversight of the 340B Drug Pricing Program, through which prescription drug manufacturers give health safety net providers access to discounted prices on outpatient drugs. The IG report indicates that the program suffers from a lack of clear guidance from HRSA, the result of which is that "some covered entities in our study do not offer the discounted 340B price to uninsured patients at their contract pharmacies." The report also indicates that there are insufficient safeguards in place to prevent illegal or wasteful use of taxpayer funds.

On May 6, 2013, Senators Lamar Alexander (R-Tenn.), lead Republican on the Senate health committee; Mike Enzi (R-Wyo.); Orrin Hatch (R-Utah); and Chuck Grassley (R-Iowa); as well as House Energy and Commerce Health Subcommittee Chairman Joe Pitts (R-Pa.) and Representative Bill Cassidy (R-La.) sent a letter to the HHS Inspector General requesting examination of HRSA's oversight of contract pharmacy arrangements to ensure that these pharmacies do not violate the terms of the 340B drug discount program.

***Alexander*** said: "For the sake of the low-income Americans who should be benefitting from prescription drug discounts through this program, I expect that Secretary Sebelius will take immediate action to ensure the Health Resources and Services Administration fixes the problems uncovered by the Inspector General."

***Hatch*** said: "It's unacceptable that inconsistent, lax oversight has allowed the 340B program to be gamed – jeopardizing its core mission of helping low-income Americans. As this report demonstrates, it's imperative the Health Resources and Services Administration step up to the plate and perform more aggressive oversight to better guarantee assistance for those it's meant to serve."

***Enzi*** said: "Without proper oversight there isn't accountability. Without accountability we're giving a pass to a broken program that isn't meeting its goals of helping uninsured and low-income

Americans. The Administration can do better and I expect to hear their solutions for addressing the vulnerabilities identified by the Inspector General."

***Grassley*** said: "Congress expects the discounts to go to low-income patients, but according to this report, that isn't always happening because of the complexities that have developed around this program. Maintaining program integrity is fundamental to the work of every federal agency. In this case, HRSA needs to faithfully execute its responsibilities or account for why it can't do so."

***Pitts*** said: "This report from HHS's own watchdog raises serious questions about whether the 340B program is serving its core mission to help the uninsured. This report underscores the need for strong oversight so that the program is best suited to help those most in need."

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