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Safety Net Providers Launch “Protect the Safety Net” Campaign

Advocates and Medicaid Patients Urge New York State to Reverse Course on Provisions that Strip Ryan White Clinics and Safety Net Providers of Desperately Needed Benefit

Albany, NY – The New York chapter of Ryan White Clinics for 340B Access (RWC-340B) today announced the launch of the *Protect the Safety Net* campaign. The campaign, led by advocates and Medicaid patients, seeks to reverse a provision in the state budget that strips a critical federal benefit from health care providers and patients in New York State. This “carve out” provision harms all safety net providers in the federal 340B drug discount program. It further jeopardizes the health of some of New York’s most vulnerable Medicaid recipients in the middle of a global health pandemic and economic recession.

A little-noticed recommendation from the Medicaid Redesign Team II (MRT II), advanced by the Governor, was hastily approved as part of this year’s state budget with very little deliberation. This provision would require the New York Medicaid program to carve out the pharmacy benefit from the state’s Medicaid managed care program and shift payment of drugs covered under that benefit to fee-for-service reimbursement. If implemented, the carve out provisions included in the budget would harm Ryan White Clinics, Federally Qualified Health Centers, Safety Net Hospitals, and other safety net providers in the 340B drug discount program and adversely impact the financial stability of health care clinics across New York State.

Clinics rely on this funding to operate food pantries, provide transportation assistance, STI screenings, and run harm reduction programs – services that often grossly underfunded by the state. If the carve out is not reversed, many patients across the state will simply have nowhere to turn.

“In the rush to approve this year’s budget, a little-noticed provision was adopted that would devastate community health centers across New York State. The same clinics that have been fighting COVID-19 will be forced to eliminate services or close – leaving people living in poverty without access to testing, food pantries, transportation and housing assistance, STI screening and treatment, and programs to fight the opioid epidemic. In addition, clinics that have

been battling HIV/AIDS for decades will be financially devastated, reversing all of the progress that we've made in the fight against HIV. Therefore, we are calling on the governor and state legislators to reverse this harmful carve out," said Andrea DeMeo, President and CEO of Trillium Health.

"Without this benefit, there's no way I can afford my medicine. We have been struggling to make it through the pandemic, but this is the breaking point. I would welcome whoever came up with this terrible idea to come to my clinic and see the people impacted by this heartless decision," said Annie Brooks, patient at Trillium Health.

"Our patients and staff are facing unprecedented strain and now is not the time to further dismantle the safety net. This action will undoubtedly set back both the HIV/AIDS and overdose epidemic in New York. We call on all parties to work together to reverse this terrible policy before it takes effect," said Wil Murtugh, Executive Director of ACR Health

"At a time when our State and City are focused on overcoming the COVID-19 pandemic, our Governor and Legislature have severed a vital lifeline to plug its budget gap on the backs of low-income New Yorkers with chronic health conditions. This drastic change to the 340b program is like a punch to the gut – it took place at the onset of the COVID crisis, while our focus was on protecting our communities," said Sharen I. Duke, Executive Director and CEO of Alliance for Positive Change. "Our organizations reinvest in services to ensure that people living with HIV, hepatitis, and other chronic conditions across our city and state have access to lifesaving medications and care. New York has made significant strides toward ending the AIDS epidemic, but this financial shell game will set us back. We urge our State officials to reconsider this ill-timed decision."

The Governor's Medicaid Redesign Team II made budget recommendations that were approved by the Assembly and Senate and signed by Governor Andrew Cuomo in April. The budget, including the carve out provisions, is set to go into effect at the start of the next fiscal year beginning on April 1, 2021.

For more information, please visit: www.RWC340b.org.

About the 340B Drug Pricing Program

The federal [340B Drug Discount Program](#) is a lifeline that allows safety net providers, including HIV/AIDS clinics receiving support under the Ryan White CARE Act, to obtain prescription drugs at below-retail prices. The program was established with bipartisan support as part of the Veterans Health Care Act of 1992. With 340B savings, Ryan White Clinics are able to stretch their grant funds, offer a wider range of services, and improve the quality of care for people living with HIV/AIDS. 340B savings enable providers in the state to supply prescription drugs to needy patients at reduced or no cost; assist patients with their insurance premiums to encourage medication adherence and continuous treatment; and provide medical services at little or no cost to patients.

About Ryan White Clinics for 340B Access

[Ryan White Clinics for 340B Access \(RWC-340B\)](#) is a national organization of HIV/AIDS

medical providers receiving support under the Ryan White CARE Act. The CARE Act provides funding for services primarily to poor and/or uninsured people with HIV/AIDS. Ryan White providers are eligible to participate in the federal 340B Drug Discount Program, which enables them to expand and support care. In order to preserve access to this critically important program, members of RWC-340B have pledged to work together to advocate for the interests of fellow 340B Ryan White providers. The New York State Chapter of Ryan White Clinics for 340B Access was established to advocate for the reversal of carve out provisions included in the Medicaid Redesign Team II budget proposal.

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