

10 STRATEGIES TO OPTIMIZE YOUR 340B PROGRAM

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The 340B Drug Pricing Program is designed to help covered entities serving low-income and uninsured patients by allowing them to purchase outpatient drugs at discounted prices. For hospitals and other covered entities, optimizing this program is not just about compliance—it's about maximizing savings that can be reinvested into patient care and community health services. Below, we outline 10 strategies to ensure your 340B program is well optimized for savings and compliance.

1. Update Patient Definition

The goal is to define patient eligibility narrowly enough to withstand scrutiny from a compliance perspective while remaining broad enough to capture as many eligible patients as reasonably possible. Regularly updating your patient definition can help mitigate risk and maximize program reach. Implement criteria that are clear, defensible, and consistently applied across your organization.

2. Maximize ESP Submission

The 340B ESP (Eligibility and Submissions Portal) is a platform used to submit contract pharmacy claims data to pharmaceutical manufacturers. Because of manufacturer restrictions, ESP submission is critical for maintaining access to discounted pricing. Failing to maximize submissions can result in a severely underperforming program. Ensure you are not only submitting all required data but also monitoring for any discrepancies or balances. Resolve these issues promptly to avoid loss of pricing and ensure ongoing program access.

3. Increase Referral Capture Volume

Modernize your policies and procedures regarding referral capture. Determine eligibility based on inbound or outbound documentation instead of requiring both. While dual documentation is ideal, requiring both can unnecessarily limit capture. Address internal referrals, such as those to a provider in an ineligible location within your CE, and referrals for mental health services, which are often more challenging to track. Optimize capture strategies for these often-missed referral types.

4. Track eRx Data

Know where your prescriptions are going. Optimize your Contract Pharmacy (CP) network by leveraging data analysis to make informed decisions about where to direct prescriptions. Consider reaching out to patients not currently using one of your CPs to inform them of the benefits of using a 340B pharmacy. This targeted outreach can increase 340B capture and improve overall savings.

5. Review Uncaptured Claims From TPA

Is your TPA doing you justice? Most entities know to audit captured claims, but many overlook the potential revenue hidden in uncaptured claims. What are you missing? Regularly review uncaptured claims to identify patterns and rectify errors. Address issues such as data mismatches, incorrect filters, or missing information. Identifying and resolving these gaps can lead to substantial savings.

6. Evaluate Your Provider Panel

Keep your provider panel up-to-date and conduct monthly reviews. Consider full-time, part-time, and referral capture providers, and tailor your capture logic for each provider type. Ensure all eligible providers are listed with accurate start dates and NPIs to prevent claim rejections and optimize 340B benefits.

7. Conduct Monthly Audits

HRSA can audit covered entities to ensure compliance with 340B program requirements, such as preventing drug diversion and duplicate discounts. However, waiting for an official audit can be risky—non-compliance can lead to financial penalties or even removal from the program. Perform monthly audits—every single month. Conduct HRSA-like randomized audits, as well as strategic audits focused on high-risk locations and providers. If you're unsure which providers or locations are high-risk, let us help you identify them. Consistent auditing prevents small issues from escalating into major compliance violations. Regular audits also build a culture of accountability within your organization.

8. Monitor Wholesaler Price File

Wholesalers provide price files that list the discounted prices for 340B-eligible drugs. Monitoring these files ensures that you are receiving the correct pricing and not being overcharged. Are you being overcharged? Recently, we uncovered over \$30,000 in overcharges for a CE with only two child sites. What could your overcharges be? Monitoring your wholesaler price file can prevent these discrepancies. Consider having your finance team track gross-to-net revenue, including net savings, drug spend, TPA fees, and pharmacy dispense fees to identify unusual financial changes that could indicate overcharges or other issues. Trend changes in your drug spend is a red flag that you might be overpaying for 340B medications. Regular monitoring is essential to maximize savings by purchasing drugs at or below the 340B ceiling price.


9. Leverage Telehealth And Mail Order Pharmacy Through Designated Pharmacies

Are you limited to one pharmacy despite having patients across a large service area? Telehealth and mail order pharmacy can bridge the gap, allowing patients to access your providers for care despite geographical distances. Implement or expand mail order services through your designated pharmacy to mitigate the impact of manufacturer restrictions and increase patient access to 340B-priced drugs.

10. Schedule A Free Program Assessment

Optimizing your 340B program requires expertise and resources that many hospitals may not have in-house. Even if you believe your 340B program is doing just fine, a program assessment is completely risk free. An experienced 340B consultant can provide you with a comprehensive evaluation of your current program, identifying areas for improvement and offering tailored recommendations to maximize savings and tighten compliance. Our team of experts at Next Level 340B has helped numerous hospitals optimize their programs, ensuring they are not only compliant but also generating maximum value for their patients and communities.

Don't leave money on the table or risk non-compliance. Not sure where to start? Let us help. A free assessment from Next Level 340B can provide the guidance you need. We'll evaluate your program's performance, identify areas for improvement, and offer tailored



strategies to optimize savings and maintain compliance. It's completely free and designed to provide you with actionable insights, whether or not you choose to work with us further.

Schedule a free program assessment with Next Level 340B today! To get started, contact us at Justin@nextlevel340B.com