

# Rural Health

## REPORT:

### How the 340B Program Benefits Patients

#### Rural Health Report: An Ongoing Series

Examining the people, policy, and programs sustaining healthcare access in rural Georgia.

## What is the 340B Program?

Congress established the 340B Drug Pricing Program in 1992 to help healthcare organizations that serve a high number of vulnerable and low-income patients. The goal of the program is to “stretch scarce federal resources as far as possible, reaching more eligible patients and providing more comprehensive services.”

The program requires pharmaceutical manufacturers to offer discounts on outpatient prescription drugs as a condition of participating in the Medicaid program. Covered entities, as program participants are known, must meet certain criteria and submit annual re-certification information to maintain eligibility.

It has become a lifeline to rural hospitals like Phoebe that struggle for resources and face high rates of chronic disease.



### A Safety-Net Lifeline

Like at other rural hospitals, Phoebe's 340B program funds critical advanced healthcare services that don't operate at a profit and would otherwise be difficult or impossible to provide. It plays a key role in enabling our mission to safeguard the health of our communities.

### Value of charity care at Phoebe in 2025:

**\$62 million**

**5.5%**  
of our operating revenue

## How Do Rural Hospitals Use 340B Savings?

Savings from Phoebe's 340B program support a broad array of services that are critical to our largely rural community.

**“For Phoebe, 340B is much more than a purchasing program, it's a patient access program. The savings generated from 340B allow us to reinvest resources directly into services that improve care for vulnerable populations.”**

— Darren Evans, PharmD, MHA, FACHE, Vice President, Hospital Operations and System Pharmacy Services



## Medication Management Clinic

Medication adherence is a major challenge in underserved rural areas with high rates of chronic disease. Residents struggle to access transportation and primary care, understand complex drug regimens, or simply afford their prescriptions.

First opened in September 2023, our Medication Management Clinic is staffed by clinical pharmacists who help patients find financial assistance, adhere to their medication plans, and minimize undesirable side effects. Our pharmacists work closely with providers, care managers, and pharmacy teams to ensure patients get the care they need, avoid hospitalization and maintain good health.

In its first year, the clinic:

- Welcomed 962 total referrals
- Had 542 prescriptions presented for financial assistance, saving patients more than \$1 million
- Reduced the number of hospital readmissions due to congestive heart failure, thanks to transition-of-care CHF referrals



## Intensive Outpatient Care Program Clinic

Opened in 2024, the IOCP offers an urgent care walk-in model of care coordination focused specifically on four key chronic conditions — CHF, chronic obstructive pulmonary disease, diabetes and hypertension — identified as key drivers of high-cost ER utilization.

We also identify patients using data from hospital admissions, discharges or the ER, plus referrals from primary care physicians. Nurse care coordinators contact patients to remind them about follow-ups with specialists or PCPs, or to ask whether they've taken their prescribed medications.

Since opening, the clinic has helped prevent hundreds of visits to the ER by handling problems for walk-in patients that previously would likely have resulted in an ER visit.



## Neonatal Intensive Care Unit

These units provide around-the-clock care for babies born prematurely or with issues such as low birth weight, jaundice, infection, or other complications. Yet they are expensive for hospitals to operate, with no special reimbursement for the services they provide.

In 2025, following years of being over capacity, Phoebe opened an expanded NICU with 48 beds, plus additional surge capacity, thanks in part to savings from 340B.

Phoebe is one of six regional perinatal centers in Georgia, with a specialized NICU transport team that admits babies from 22 counties.



## Behavioral Health

Our Community Health Needs Assessments consistently identifies mental health as a needed service, and Phoebe has responded, with a long-term strategy and significant investment:

- Hired additional staff
- Opened a new Behavioral Health Emergency Center
- Integrated Behavioral Health providers at Phoebe Urgent Care and Primary Care clinics
- Launched an innovative service for patients with treatment-resistant depression
- Deepened our outpatient and inpatient services