

Proponent Testimony for SB 284
Senate Financial Institutions & Insurance Committee
March 17, 2025
Chad Koster
Chief Executive Officer, AmberMed

Chair Dietrich and members of the committee, thank you for the opportunity to provide testimony in support of SB 284 on behalf of AmberMed, a small Critical Access Hospital (CAH) located in Hoxie, Kansas. Our healthcare organization also includes and is collocated with our Federally Qualified Health Center (FQHC) and a Long-Term Care facility where we have the honor and privilege to serve our rural and underserved communities in northwest Kansas.

Your support of this bill is critical to maintaining the integrity and intended purpose of the 340B Program, which is to enable safety net providers like our CAH and FQHC to purchase medications at a discount in order to "stretch scarce federal resources as far as possible, reaching more eligible patients and providing more comprehensive services." The 340B savings that AmberMed has realized through this program have enabled us to offer services and access to care that simply would not be possible without the program. Most recently this has included development and expanded use of our mobile clinic to provide dental screenings and extended dental services at local schools, as well as mobile immunization clinics and healthcare services. These savings have also allowed our facility to support and provide expanded behavioral health services in our local schools and community, in addition to offering a program for qualifying patients to receive significantly reduced medications.

As you are aware, the large drug manufacturers have recklessly disregarded the legislative intent of the 340B program and exploited the lack of enforcement mechanisms. The state legislature added language in the 2024 budget bill to help protect local Kansas pharmacies, hospitals, and clinics; however, codifying these protections in state statute through the approval of this bill is required to ensure these remain enforceable. Through this action, Kansas will join dozens of other states that have taken steps to protect their 340B programs in some way.

Through your committee's support of Senate Bill 284, you can protect our state's hospitals, clinics, and local pharmacies and their ability to provide critical healthcare services at no expense to Kansas taxpayers, simply by holding drug companies to the agreements they have already made at the federal level.

I ask for your support of Senate Bill 284.

had Water