



Community Health Center of Southeast Kansas

Written Testimony for the Senate Bill 284 Senate Committee on Financial Institutions and Insurance

March 14, 2025

Chair Dietrich and Members of the Committee,

Thank you for the opportunity to submit written testimony to this Committee on the experience of rural providers with the 340B Program.

In my role as Senior Vice President and Chief Compliance Officer for Community Health of Southeast Kansas, Inc. (CHC/SEK), I have the privilege of overseeing the implementation and operation of CHC/SEK's 340B program.

At CHC/SEK, our mission and values originate with one statement,

"Doing all the good that we can, for all the people we can, in all the ways we can, for as long as we can."

This mission and value originated 100 years before the origins of CHC/SEK by a Sister of Saint Joseph, Mother Mary Bernard Sheridan.

In 1903, Mother Sheridan brought healthcare to the poorest region of Kansas, Southeast Kansas. She helped build a hospital, Mount Carmel, on donated land literally yards away from CHC/SEK's North Pittsburg campus to provide healthcare to all. Mother Sheridan frequently reminded her staff that the care and treatment they were providing to the miners and immigrants, who were living in Southeast Kansas and whose descendants continue to live here today, was incredibly important for the health and future prosperity of the region.

While healthcare services and delivery have made advances over the past 100 years, Southeast Kansas continues to be medically underserved with collectively the worst health outcomes (length of life, quality of life) and health factors (healthy behaviors, clinical care, social and economic factors) in all of Kansas.

Today, CHC/SEK continues to attempt to address these concerns as Mother Sheridan did.

As a Federally Qualified Health Center (FQHC) and participant in the 340B program, CHC/SEK has made great strides to increase access to medications in Southeast Kansas. Across CHC/SEK's several pharmacies in the region, CHC/SEK now fills more than 475,000 340B scripts annually. To further increase access, CHC/SEK has contracted with local pharmacies to provide 340B priced medications to patients. CHC/SEK affiliated pharmacies fill over 60,000 scripts annually.

The patient stories and experiences related to the benefits of CHC/SEK's 340B Program are numerous, and happen hundreds of times a day. A common story relates to patients trying to improve their health and well-being by controlling their blood sugars. Our providers are able to see patients, prescribe and administer Humalog and prescribe Lantus, to help address a patient's uncontrolled diabetes. Often, the patient is able to receive these medications for less than \$13.00. In a retail setting, these same medications would have cost at-least \$100.00 each. Patients often comment that getting these medications at an affordable rate help the patient save money that can be applied to rent, food, and car payments.

As a participant and good steward in the 340B Program for twenty years, CHC/SEK is tasked with not only using the 340B Program to provide medications to the most vulnerable populations, but is also tasked with ensuring that pharmacy income is reinvested in the communities in which CHC/SEK serves. While some CHC/SEK staff members are able to generate revenue, such as physicians and dentists, many of staff members are not reimbursable for the critical services they provide.

A great example is CHC/SEK's Family Resource Specialists (FRS). Our FRSs are responsible for helping pregnant women, children, and families navigate the healthcare system. These staff members provide initial intakes for prenatal patients (e.g. completing OB intakes, medical histories), facilitate care and treatment (e.g. behavioral health visits, dental visits), use developmental screenings and tools to help address social concerns, and are generally available to these patients 24 hours a day, 7 days a week. Income from CHC/SEK's pharmacy operations helps employ FRSs, Benefit Enrollment Specialists, and other positions that are not reimbursable. In turn, these staff buy houses in rural Kansas, have children who attend rural Kansas schools, buy gas at rural Kansas gas stations, and for these reasons, in addition to the professional services they perform, provide a positive economic impact on rural Kansas.

CHC/SEK's efforts to increase access to care in and to provide a positive impact on Southeast Kansas are continually threatened by the actions of pharmaceutical manufacturers.

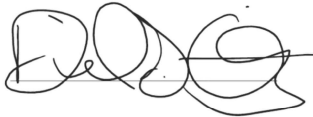
Currently, multiple pharmaceutical manufacturers refuse to offer 340B pricing to contract pharmacies. While other pharmaceutical manufacturers still offer access to 340B pricing, but

require extensive and time consuming reporting requirements. As you know, the federal courts have ongoing litigation regarding this issue. While CHC/SEK has worked tirelessly to ensure that patients who depend on contract pharmacies for medications have access, the process is time consuming and costly.

Legislation is vitally important for the provision of services in communities like Southeast Kansas as these services would likely not be possible without CHC/SEK's participation in the 340B program. On behalf of CHC/SEK's Leadership Team, I express our sincere appreciation for the Kansas legislature's efforts.

Regardless of the actions of this Committee and similar discussions/legislation at the federal level, I can assure that CHC/SEK will continue to be good stewards of the resources available to us and will continue to do all the good that we can, for all the people we can, in all the ways that we can, for as long as we can in the poorest regions of this state.

Best regards,

A handwritten signature in black ink, appearing to read 'D. Creitz', with a horizontal line extending from the end of the signature.

Daniel S. Creitz, JD
Senior Vice President, Chief Compliance Officer
Community Health Center of Southeast Kansas, Inc.