Calendar Year 2025

Idaho 340B Drug Pricing Program

Pursuant to Idaho Code § 41-351

State Controller's Office (SCO)

STATE OF IDAHO
CONTROLLER'S OFFICE
BRANDON D WOOLF

Idaho 340B Drug Pricing Program

Inaugural Report | Calendar Year 2025

Pursuant to Idaho Code § 41-351

Section 1: Executive Summary

This report is submitted pursuant to Idaho Code § 41-351, which requires covered entities participating in the federal 340B Drug Pricing Program to annually report financial and program data to the Department of Health and Welfare, Office of the State Controller, and Office of the Attorney General. The Office of the State Controller aggregates the data and prepares a report for the Legislative Council. The data presented herein covers the period of January 1 through December 31, 2025 (Calendar Year 2025).

The 340B Drug Pricing Program, established under Section 340B of the Public Health Service Act (42 U.S.C. § 256b), requires pharmaceutical manufacturers to provide outpatient drugs to eligible health care organizations and covered entities at reduced prices. The program is designed to stretch scarce federal resources and enable eligible organizations to provide more comprehensive services.

Total aggregate payments received ($812.9 million) exceed aggregate acquisition costs ($399.1 million), yielding a gross program margin of approximately $413.7 million. This margin represents the financial benefit generated through 340B pricing, which covered entities are required to document, and report how they utilize gross savings from participating in the 340B program under Idaho Code § 41-351.

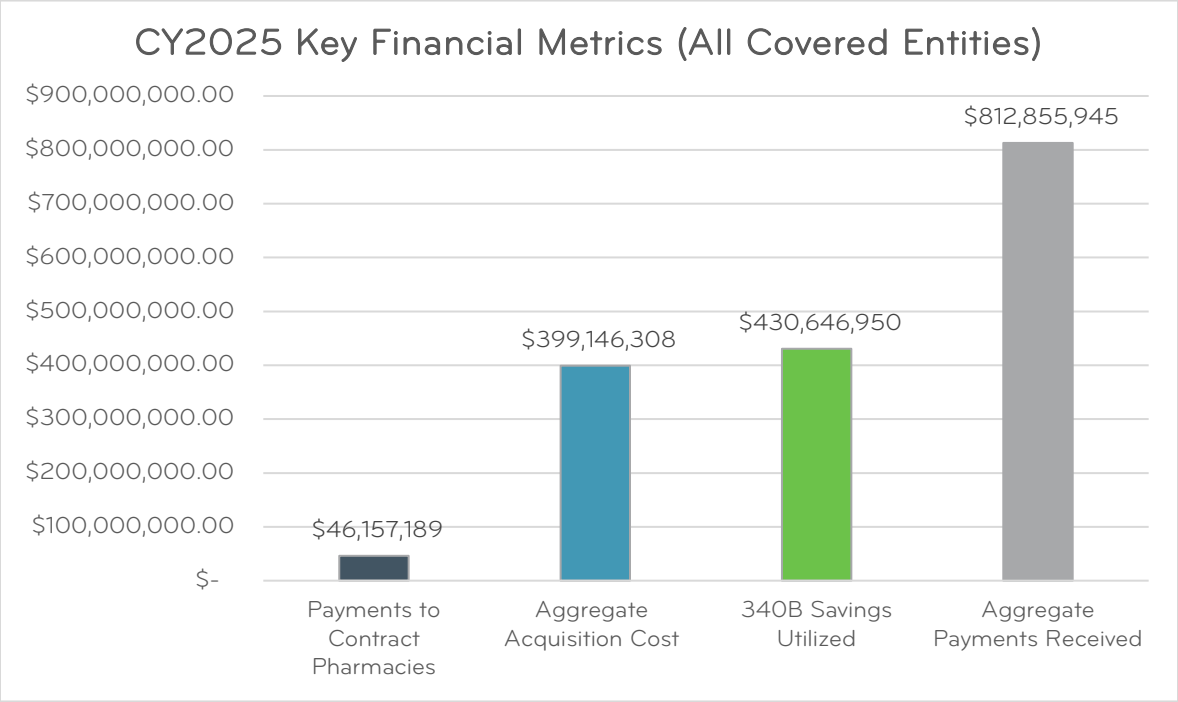
For Calendar Year 2025, Idaho covered entities collectively reported nearly 1.92 million prescription drugs obtained under the 340B program and dispensed to patients, generating over $812.9 million in aggregate payments received, while directing $430.6 million in 340B savings toward charity care, community benefit programs, and services for indigent patients.

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KEY HIGHLIGHTS

1,916,995	$812.9M	$430.6M	62
Total Claims Dispensed	Aggregate Payments Received	340B Savings to Community	Unique Covered Entities



Section 2: Statutory Authority & Background

Idaho Code § 41-351

Idaho Code § 41-351 establishes the reporting framework for covered entities participating in the 340B Drug Pricing Program operating within the State of Idaho. The statute requires each covered entity to submit an annual report to the Department of Health and Welfare, Office of the State Controller, and Office of the Attorney General, containing the following mandatory data elements:

- **Aggregate Acquisition Cost:** The aggregate acquisition cost paid by the covered entity for 340B drugs, broken down by payer type.
- **Aggregate Payments Received:** Total payments received from all payers for 340B drug claims, broken down by payer type.

- **Aggregate Payments to Contract Pharmacies:** Total payments made to contract pharmacies for dispensing 340B drugs, broken down by payer type.
- **Number of Claims by Payer Type:** Total number of claims dispensed under the 340B program, categorized by payer type (commercial, Medicare, Medicaid, self-pay, uninsured, and others)
- **Use of 340B Savings:** How 340B savings were applied, including charity care, uncompensated care offsets, patient financial assistance, prescription assistance, community health programs, and other qualifying uses.

340B Drug Pricing Program

The 340B Drug Pricing Program was created by Congress in 1992 under Section 602 of the Veterans Health Care Act of 1992. It requires pharmaceutical manufacturers to sell outpatient drugs to eligible health care organizations at discounted prices in exchange for Medicaid coverage of their products. The program is administered by the Health Resources and Services Administration (HRSA) within the U.S. Department of Health and Human Services.

Eligible covered entities include federally qualified health centers (FQHCs), Ryan White HIV/AIDS Program grantees, disproportionate share hospitals (DSH), critical access hospitals (CAH), rural referral centers (RRC), sole community hospitals, children's hospitals, free-standing cancer hospitals, and certain other safety-net providers and federal grantee organizations. Idaho's participating entities represent a cross-section of these categories, serving rural, underserved, and indigent populations across the state.

Section 3: Submission Overview

For Calendar Year 2025, 62 submissions from covered entities were received. Entities that were registered and active on HRSA at any time during CY2025 were required to report. Covered entities with child sites (physically separate, off-site outpatient facility, or clinic associated or affiliated with the covered entity) submitted their child site data in aggregate with the parent site data.

Submission Metric	Count	Notes
Total submissions received	62	All submissions complete
Total child sites	689	
Submissions with *complete* status	62 (100%)	Full compliance

Entity Types Represented

The covered entities in Idaho submitting CY2025 data represent a diverse range of eligible 340 entities authorized under the federal 340B program:

- Disproportionate Share Hospitals (DSH) and regional medical centers
- Federally Qualified Health Centers (FQHCs) and FQHC Look-Alikes
- Rural Health Clinics and Critical Access Hospitals

- Ryan White HIV/AIDS Program grantees
- Public health districts and county health departments
- Community mental health and behavioral health centers
- Title X family planning entities

Section 4: CY2025 340B Program Data

Aggregate Acquisition Cost

Idaho Code § 41-351 requires covered entities to report the aggregate acquisition cost incurred for 340B drugs, categorized by payer type. This represents the actual cost paid by covered entities to acquire 340B-priced medications. For CY2025, the **total aggregate acquisition cost across all Idaho covered entities was $399,146,308.13**. The table below summarizes acquisition costs by payer type:

Payer Type	Aggregate Acquisition Cost	% of Total Cost
Commercial	$181,432,809.78	45.5%
Medicare	$123,723,651.05	31.0%
Medicaid	$38,571,842.44	9.7%
Self-Pay	$26,402,497.12	6.6%
Other	$15,558,352.43	3.9%
Uninsured	$13,457,155.31	3.4%
TOTAL	**$399,146,308.13**	**100.0%**

Aggregate Payments Received

Idaho Code § 41-351 requires covered entities to report aggregate payments received from all payers for 340B drug claims, broken down by payer type. For CY2025, the **total aggregate payments received by all Idaho 340B covered entities was $812,855,944.90**. The table below summarizes aggregate payments received by payer type:

Payer Type	Aggregate Payments Received	% of Total Payments
Commercial	$369,837,524.44	45.5%
Medicare	$252,687,542.10	31.1%
Medicaid	$78,847,226.49	9.7%
Self-Pay	$53,848,492.82	6.6%
Other	$30,834,625.73	3.8%
Uninsured	$26,800,533.32	3.3%
TOTAL	**$812,855,944.90**	**100.0%**

Aggregate Payments to Contract Pharmacies

Idaho Code § 41-351 requires covered entities to report payments made to contract pharmacies for dispensing 340B-priced medications on their behalf. Contract pharmacies are community or specialty pharmacies that enter contractual arrangements with covered entities to dispense 340B drugs to eligible patients. For CY2025, Idaho covered entities made **total aggregate payments to contract pharmacies of $46,157,188.85**. The table below summarizes aggregate payments made to contract pharmacies by payer type:

Payer Type	Payments to Contract Pharmacies	% of Total CP Payments
Commercial	$20,983,420.92	45.5%
Medicare	$14,344,528.57	31.1%
Medicaid	$4,475,247.22	9.7%
Self-Pay	$3,056,015.23	6.6%
Other	$1,749,972.96	3.8%
Uninsured	$1,548,003.95	3.4%
TOTAL	**$46,157,188.85**	**100.0%**

Number of Claims by Payer Type

Pursuant to Idaho Code § 41-351, covered entities are required to report the total number of 340B drug claims dispensed, broken down by payer type. For CY2025, Idaho covered entities collectively reported **1,916,995 total claims** across all payer categories. Commercial insurance was the dominant payer category, accounting for 45.4% of all claims, followed by Medicare at 31.1%. The following table summarizes the number of claims by payer type:

Payer Type	Total Claims	% of Total
Commercial	870,039	45.4%
Medicare	596,406	31.1%
Medicaid	185,822	9.7%
Self-Pay	127,335	6.6%
Other	75,021	3.9%
Uninsured	61,979	3.2%
TOTAL	**1,916,995**	**100.0%**

340B Savings Utilization

Idaho Code § 41-351 requires covered entities to document how 340B program savings are directed toward charity care, community benefit, and services for the indigent. For CY2025, Idaho covered entities directed a total of **$430,646,950.35 in 340B savings.** The following table provides a comprehensive breakdown by category:

Savings Use Category	Amount Applied	% of Total Savings
Offset financial loss due to under-reimbursement from government programs	$179,839,482.89	41.8%
Offset financial loss due to providing uncompensated care	$61,298,205.88	14.2%
Financial assistance for patients who cannot pay for care or medications	$44,787,465.67	10.4%
Prescription medication assistance programs	$16,576,436.76	3.8%
Community health programs and outreach/education	$9,517,162.55	2.2%
Subsidized health services provided below actual cost	$8,931,702.10	2.1%
Education of health professionals serving underserved populations	$4,640,886.47	1.1%
Programs addressing barriers to healthcare access	$1,849,356.29	0.4%
Additional / Other reported uses (10 entities*)	$103,206,248.74	24.0%
TOTAL	**$430,646,950.35**	**100.0%**

*Ten entities reported Additional/Other uses of their 340B program savings. The majority of other uses were for capital improvement projects, pharmacy staff salary and benefits, 340B program administration staff necessary for program compliance, and third-party administration (TPA) costs related to participating in the 340B program. Some entities reported other use of their savings. Idaho Code § 41-351 requires this report to remain aggregated and confidential. Including these details may identify individual entities and compromise confidentiality.

Section 5: Conclusion

The CY2025 data submitted pursuant to Idaho Code § 41-351 demonstrates that Idaho's 340B covered entities collectively process nearly 1.92 million claims, generating $812.9 million in aggregate payments received for 340B drugs from payers and patients, with an acquisition cost of $399.1 million for the drugs, and directs $430.6 million in 340B program savings toward community benefit programs.

This report has been prepared by the Office of the State Controller in accordance with the requirements of Idaho Code § 41-351.

For further questions, please contact 340breporting@sco.idaho.gov.