



Cosponsor HR 10770, The 340B Rebate Model Delay Act



ADVOCATES FOR
COMMUNITY
HEALTH

Give Congress Time to Consider Comprehensive, Bipartisan 340B Reform

WHAT THIS BILL DOES

The 340B Rebate Model Delay Act would **delay the proposed 340B Rebate Model Pilot Program for two years**, allowing Congress time to consider recently introduced bipartisan, comprehensive 340B reform bills.

In both the House and the Senate, comprehensive, bipartisan 340B reform bills were introduced in July and August 2026. These bills not only address the rebate model, but also other critical issues that need to be addressed in the program.

Delaying implementation of the rebate model pilot gives Congress time to fully consider these existing proposals and craft solutions that preserve the program for the patients and communities that need it most. The delay also gives 340B program covered entities and the federal government time to prepare for implementation of the rebate model, which entails significant changes in many of the systems that entities use for the program.

BACKGROUND



The 340B Rebate Model Pilot Program, set to take effect Jan. 1, 2027, would replace upfront 340B discounts with retrospective rebates for certain drugs. Community health centers (CHCs) and other covered entities would pay full price at the time of purchase and receive the 340B discount at a later time.



CHCs account for only about **7% of purchases in the 340B program**, but it has an outsized impact on their ability to provide care to more than 32.7 million individuals annually.



CHCs are required to funnel all 340B program savings back into patient care, and they use these savings for efforts like mobile mammography units, school-based health clinics, and other community benefits.



This major change to the 340B program would put that care at risk, disrupting current systems and requiring CHCs to shoulder high upfront costs that could force already-strained CHCs to close.

THE IMPACT

The Rebate Model Pilot Program would create unfair financial and administrative challenges for CHCs:

- **Upfront Costs:** Hundreds of thousands of dollars in additional upfront costs to purchase drugs.
- **Lost Savings:** In cases where CHCs forgo prescribing certain medications, patients will lose access to medications and CHCs will lose 340B savings.
- **Administrative Burden:** Data requirements and new IT systems use scarce resources that should go to patient care.

HOW THE BILL WORKS

Preserves upfront discounts.

Manufacturers must offer covered outpatient drugs at the 340B ceiling price as a reduction in the purchase price, rather than through retrospective rebates or other post-sale payments.

Pauses the Rebate Model Pilot Program.

During this two-year period, the Department of Health and Human Services may not implement the 340B Rebate Model Pilot Program or a substantially similar program.

Sponsors:

The 340B Rebate Model Delay Act was introduced by Representatives Rob Bresnahan (R-PA), Debbie Dingell (D-MI), Tracey Mann (R-KS), and Lois Frankel (D-FL)

OUR ASK: *Please cosponsor the 340B Rebate Model Delay Act, to ensure Congress has adequate time to consider comprehensive 340B reform proposals before implementation of the Rebate Model Pilot Program.*