

Oral Testimony in Opposition to HB 1473

Terry Wilcox, Patients Rising
North Dakota Legislative Committee
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Good morning, Chairman Lee and Members of the Senate Human Services Committee.

My name is Terry Wilcox. I'm here today on behalf of Patients Rising, a national nonprofit, nonpartisan patient advocacy organization. We represent millions of patients across the country, including patients right here in North Dakota.

We speak for patients that desperately want transparency, affordability, and access to healthcare.

Through our patient advocate network, we hear every day from North Dakotans struggling with rising healthcare costs and medical debt, many of whom depend on hospitals in the 340B program.

I'm here to urge you to vote NO on HB 1473. This bill might look like it protects the 340B Drug Pricing Program, but it doesn't. Instead, it locks in a broken system that puts hospital profits and out-of-state pharmacy chains ahead of North Dakota patients—especially in North Dakota's rural communities.

Let me start with what 340B was supposed to do: help rural and underserved hospitals get discounted drugs to support vulnerable patients. That's not what's happening.

Today, 67% of contract pharmacies tied to North Dakota's largest 340B hospitals are out of state—some as far away as Hawaii and New York. Meanwhile, 70% of these so-called "low-income" 340B pharmacies are in affluent neighborhoods, not the rural areas that need them most. And North Dakota's 340B hospitals are providing less charity care than the national average – just 0.87%

North Dakota prides itself on not having chain pharmacies, yet the 340B program is funneling benefits to national pharmacy chains through an out-of-state network. That's not helping rural North Dakotans—it's padding the bottom line of corporate players thousands of miles away. At the same time, families in North Dakota are drowning in medical debt—\$1,551 per person on average, with \$490 of that in collections, according to the Consumer Financial Protection Bureau. We can't say exactly how much of that comes from 340B hospitals, but our research in other states suggests it's a big chunk.

So how does HB 1473 make this worse? First, it doesn't force hospitals to reinvest 340B savings into rural access—like clinics or transportation for patients. Instead, it lets them keep partnering with out-of-state pharmacies. Second, it drives up costs. A 2025 IQVIA analysis shows the unchecked 340B program already costs insured North Dakotans \$231 per person per year.

HB 1473 would tack on another \$59 per beneficiary.

Third, it's a \$4.3 million hit to taxpayers in lost drug rebates—money that's already tight for families, farmers, and small businesses.

We're not against 340B—we're for fixing it. Patients Rising supports reforms that put patients first.

We want transparency. North Dakota scores a measly 2 out of 10 for hospital accountability, according to the Cicero Institute. Patients deserve to know how much hospitals profit from 340B and how much goes back to care, especially in rural areas.

We also want hospitals to invest in rural communities. If you don't oppose, why not amend the bill to make sure every 340B dollar supports rural health care?

Finally, protect patients' right to know: amend the bill to ensure that patients have a right to know if they're getting a 340B drug and what it really costs the hospital.

We support rural access to care. This bill doesn't expand access for rural communities in North Dakota.

340B should work for patients, not big hospital corporations and out-of-state chains.

We respectfully ask that you vote NO on HB 1473. Thank you.