

Testimony in support of:

House Bill 1473, with the 2025-2027 Industry, Business and Labor

Recommendation to prohibit acts of drug manufacturers; and to provide a penalty.

February 10, 2025

Chairman Warrey, Vice Chair Johnson and Members of the Committee,

My name is Dr. Aaron Garman, and I am a Family Physician practicing in rural North Dakota for the past 25 years. For the last 22 years, I have also had the privilege of serving as the Medical Director of a Community Health Center in Beulah, ND, with additional sites in Center, Killdeer, and Hazen. Over the years, I've been deeply involved in the 340B program, both administratively and in direct patient care.

When I first began practicing, the challenge of affording necessary medications was an all-too-common and heartbreaking reality for many of my patients. I often had discussions with patients about treatment options, only to have them tell me, "Doc, I just can't afford that pill." It was devastating to know that these patients—many of them farmers and ranchers—had to choose between life-saving medications for conditions like diabetes, heart disease, and stroke prevention, and basic necessities like feeding their families.

In those early years, we did everything we could to help, including Dr. Jackson, my colleague, who would occasionally pay out of his own pocket to cover the cost of medications for patients who needed them the most. This approach was not sustainable, and it highlighted a painful gap in our healthcare system: the ability to access the treatments they desperately needed.

Everything changed when we became a Federally Qualified Health Center in 2003, granting us access to the 340B program. With 340B, we could provide medications to these same patients at a nominal cost, ensuring they receive the care they needed without having to make impossible choices. Thanks to this program, I no longer have those difficult conversations with patients. I no longer must watch them struggle to choose between essential care and putting food on the table.

The impact of 340B has been nothing short of transformative. In addition to providing medications, this program has enabled us to reinvest savings into other crucial services for our community. These funds have been vital in supporting our *Impact Program*, which offers mental health counseling in schools for elementary, middle, and high school students. The 340B program also supports our Behavioral Health and Medication Assisted Therapy programs—critical services for individuals facing mental health challenges and addiction issues in our rural community.

However, the future of the 340B program is under threat. Pharmaceutical companies are making it increasingly difficult for health centers like mine to access the program, setting up barriers that are frustrating and time-consuming. While these changes may not be immediately fatal, they create a thousand small cuts that slowly erode the very foundation of this program.

I urge you to understand that the 340B program is not just a benefit to health centers; it is a lifeline for patients who would otherwise go without essential medications, and it ultimately helps to lower overall healthcare costs by preventing expensive emergency room visits and hospitalizations. Furthermore, it supports programs that are essential for the mental and behavioral health of our most vulnerable residents.

The 340B program is not a tax on North Dakota citizens, nor is it a burden on pharmacies. Rather, it is a crucial tool that helps communities like mine thrive by ensuring access to affordable healthcare. It may be a challenge to pharmaceutical companies, but I believe it is a challenge they should embrace, knowing the good it does for patients and communities.

For those of us in rural North Dakota, the 340B program has been a lifesaving, life-altering resource that our patients, families, and friends depend on. I hope that you will continue to support this program and protect the ability of centers like mine to serve those who need us most.

Thank you for your time and consideration.

Respectfully submitted,

Aaron Garman, MD