



Safety Net Hospitals for Pharmaceutical Access

For Immediate Release

Healthcare Providers Ask Judge to Rule Against PhRMA

December 23, 2013 --- A group of safety-net healthcare providers has filed an amicus brief supporting a Department of Health and Human Services rule that allows them to receive discounted pricing on “orphan” drugs when not used to treat rare diseases.

Safety Net Hospitals for Pharmaceutical Access, America’s Essential Hospitals and the National Rural Health Association asked the US District Court for the District of Columbia to block the pharmaceutical industry’s efforts to end the availability of orphan drugs under the 340B drug discount program for certain kinds of hospitals. PhRMA sued for an injunction against the DHHS rule in October. An injunction is “not warranted because non-parties – hospitals and patients – would be harmed by losing important discounts. Hospital drug costs will increase, leading to reduced services and increased drug costs for patients, and patients will find it more difficult to access certain types of care,” argued the healthcare providers in the brief.

The orphan-drug designation is given to a special class of medicines that have the potential to treat rare diseases that affect a limited number of people. The law gives pharmaceutical companies tax incentives and competitive protections to spur creation of these drugs for very small markets. However, many orphan drugs are blockbusters due to their effectiveness in treating conditions other than the ones for which they were designated. Examples include Prozac for depression (orphan designated to treat autism and body dysmorphic disorder in children and adolescents) and Remicade for rheumatoid arthritis (originally designated to treat Crohn’s disease and ulcerative colitis, among others).

Including these broader uses of orphan drugs under the 340B drug discount program is essential for hospitals to provide the best and least expensive care to underserved patients.

Read the full brief [here](#).

Safety Net Hospitals for Pharmaceutical Access (SNHPA) is an association of nearly 1,000 hospitals with a mission to increase the affordability and accessibility of pharmaceutical care for the nation’s poor and underserved populations. For more information about SNHPA and the 340B program, visit www.snhpa.org

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