

Testimony of Trent England, Executive Director, Save Our States

Regarding H.B. 276, before the Ohio House Insurance Committee, October 14, 2025

Thank you for the opportunity to submit testimony. My name is Trent England, and I am the executive director of Save Our States, which I founded in 2009 to defend the Electoral College against the National Popular Vote interstate compact. We have expanded from there, but always with a focus on state policy that has national implications.

The most basic fact about the 340B drug price-fixing program is that it is a big-government, anti-free market policy. It was created by a liberal Congress and shaped into its current form by the Obama and Biden Administrations. Today, 340B produces windfall profits for big hospital systems. It funds consolidation, where big providers buy up smaller providers, and it subsidizes the woke agenda. Conservatives are asked to support all this in exchange for much smaller revenue benefits for rural providers.

Thankfully, the Trump Administration is not such a cheap date. Neither, it appears, are conservatives in the U.S. Senate. President Trump is pushing forward with 340B reforms while the Senate is investigating the program. Ultimately, 340B is a federal law augmented with federal regulations. State lawmakers should not rush to codify protections or signal support for this broken federal program, nor should they limit transparency and accountability within 340B.

Explosive growth of 340B

In the early 1990s, when Democrats dominated Congress, they created 340B as a subsidy for a small group of sympathetic health care providers. Those “covered entities” could purchase certain outpatient drugs at deep discounts but were not required to pass the savings on to patients. Providers could use either an in-house pharmacy or a single contract pharmacy to dispense the drugs. As long as the program was focused on health care providers for the neediest patients, and limited to one local pharmacy, it was relatively uncontroversial.

The Obama Administration changed all this. It expanded 340B to include major hospital systems, and it allowed covered entities to use an unlimited number of contract pharmacies. Unsurprisingly, it became a massive giveaway to big, woke hospitals.

The Pioneer Institute for Public Policy Research [tracks 340B](#) covered entities and pharmacies. Its data show that 4,417 medical providers had participated in the program as of 2010. By 2024, this number had grown to 14,197 (these numbers are a running total of covered entities). The number of contract pharmacies actively participating in the program has grown even more, from 791 in 2010 to 32,528 in 2024.

Costs of 340B

The massive growth of this government program comes at a cost. Actually, it imposes a variety of costs on patients, employers, and taxpayers. There is some evidence that 340B increases the use of covered drugs. This makes sense: if certain drugs yield windfall profits, that creates an incentive to prescribe those drugs as opposed to other drugs or non-drug therapies. But 340B also displaces normal drug rebates, which can directly raise prices for patients or their insurers. This imposes a cost on employers and taxpayers.

In Ohio, the most recent estimate is that lost drug rebates due to the 340B program have [cost](#) private patients and their employers \$235 million. The cost to the state and local governments is estimated to be another \$40 million.

340B subsidizes the woke agenda

The windfall profits from 340B have also become a subsidy for woke medicine and advocacy. This includes Planned Parenthood, which is a 340B beneficiary. A few clinics are even explicit about how 340B subsidizes woke activism. A “sexual health” clinic in Pennsylvania [explains](#) it this way:

“If you are a patient with health insurance and you purchase your medications at a participating Walgreens pharmacy, you’ll be helping us obtain discount pricing, thanks to a federal government program known as 340B. The price difference offered by the 340B program goes directly to Mazzoni Center...”

A similar clinic in New York, on a [website](#) lobbying against 340B reforms, credits the program with subsidizing transgender services.

“Loss of even a portion of 340B savings would adversely and disproportionately affect our LGBTQ+ populations.... Our transgender population would also be severely impacted. Our Transgender Care Program has grown 89% since 2018.”

A clinic offering sex change services in Illinois [explains](#) that 340B subsidizes drugs for illegal aliens, while also noting that they never pass savings along to insured patients.

“The 340B program helps our patients, regardless of immigration or insurance status, obtain medications at low cost. If you have insurance, and you use our 340B pharmacies, you will see no difference in your payments, but every dollar you spend goes to help someone in need.”

Ohio 340B facilities also engage in woke medicine—and not only giant hospitals like the Cleveland Clinic. The Equitas Health Clinic, which [provides](#) so-called “gender affirming care,” [says](#) that 340B “is a critical lifeline.” The Ohio State University’s Wexner Medical

Center, which participates in 340B as a Ryan White clinic, [says](#) its facility “is one of only a few academic health centers in the country to offer bottom gender-affirming surgery.” The 340B program subsidizes these institutions and their radical and harmful agendas.

“Do no harm”

The 340B program is broken. It contains no requirements to pass savings along to patients. It can even result in higher drug prices for those who pay the final bill. Obama and Biden expanded 340B beyond its original intent, transforming it from a protection into a subsidy. While the program is designed to hide the costs, there is no free lunch. Many patients, employers, and taxpayers pay more because of 340B. Meanwhile, the program has become a subsidy for the worst kinds of woke medicine.

Big hospitals and woke clinics are desperate to preserve the Obama-Biden status quo. They want to stop conservatives in the U.S. Senate from asking questions and to shut down the Trump Administration’s reforms. To do this, they need red state legislators to embrace the Obama/Biden version of 340B. And the best way to do that is to focus not on windfall profits or subsidies for woke medicine but on the much smaller benefits for rural providers.

The first rule of medicine is supposed to be “do no harm,” and it’s a good rule for public policy. Embracing 340B in its current form—even in a limited way—is a mistake. If rural health facilities need help, then help them. But supporting rural medicine need not come at the cost of entrenching a broken federal program that subsidizes woke medicine.