



April 8, 2026

The Honorable Kathy Hochul
Governor of New York State
New York State Capitol
Albany, NY 12224

The Honorable Andrea Stewart-Cousins
New York State Senate Majority Leader
Legislative Office Building
188 State Street, Room 907
Albany, NY 12247

The Honorable Carl E. Heastie
New York State Assembly Speaker
Legislative Office Building
188 State Street, Room 932
Albany, NY 12247

Dear Governor Hochul, Majority Leader Stewart-Cousins and Speaker Heastie:

As safety net providers and advocates from across New York state, we write to urge you to include the *340B Prescription Drug Anti-Discrimination Act* (A.6222/S.1913) in the fiscal year 2027 enacted budget.

We commend the Senate for recognizing the urgency of this issue by including this legislation in its budget proposal (Part W of S.9007-B) and respectfully urge the Executive and Assembly to include this language in the final budget agreement.

The federal 340B Drug Discount Program is a cornerstone of New York's healthcare safety net. Established in 1992, the program allows eligible hospitals, health centers and other "covered entities" to purchase outpatient drugs at discounted prices from drug manufacturers. Providers reinvest the savings from these discounted drug purchases to sustain operations and invest in patient care.

Today, that safety net is under threat. For-profit drug manufacturers, pharmacy benefit managers and others are creating barriers that intentionally undermine providers' ability to fully benefit from 340B savings. They are restricting the use of contract pharmacies and imposing burdensome and discriminatory practices that weaken safety net providers and jeopardize New Yorkers' access to care.

The 340B Prescription Drug Anti-Discrimination Act would stop these harmful actions. It would prohibit drug manufacturers and PBMs from blocking providers from using contract pharmacies, which are offsite retail and specialty pharmacies that partner with 340B providers to dispense drugs to patients. It would also prohibit them from adding unfair fees, penalties and administrative hurdles that undermine the 340B program.

Protecting 340B also protects the state budget. 340B drug discounts are funded entirely by drug manufacturers and represent only a small share of pharmaceutical industry revenue. When these savings are eroded, hospitals and other providers are forced to turn to the state government to help make up the shortfall.

New York would not be acting alone. States across the country have already acted to stop for-profit drug manufacturers and others from circumventing 340B requirements to increase their profits at the expense of patient care. More than 20 states have acted to protect contract pharmacy arrangements;¹ nearly 30 states have acted to protect 340B providers from discriminatory practices by drug manufacturers and PBMs.²

We appreciate your leadership in advancing budget proposals that protect patient access to care and strengthen the state's healthcare system amid long-standing fiscal challenges now compounded by the harmful impacts of H.R. 1 and other federal policies.

Safeguarding the 340B program is one of the strongest and most effective tools available to preserve access to care for vulnerable New Yorkers. We urge you to include the *340B Prescription Drug Anti-Discrimination Act* in the FY 2027 enacted budget.

Sincerely,

Albany Medical Center
Arnot Ogden Medical Center
Bassett Medical Center
Bon Secours Community Hospital
Canton-Potsdam Hospital
Carthage Area Hospital
Cayuga Medical Center at Ithaca
Clifton Springs Hospital and Clinic
Cobleskill Regional Hospital
Columbia Memorial Hospital
Ellis Medicine
Erie County Medical Center
Flushing Hospital Medical Center
Garnet Health Medical Center - Catskills
Garnet Health Medical Center - Catskills -
Grover M. Hermann Hospital
Glens Falls Hospital
Good Samaritan Hospital (Suffern)
Good Samaritan University Hospital
Gouverneur Hospital
Guthrie Cortland Medical Center
Guthrie Lourdes Hospital

HealthAlliance Hospital
Highland Hospital
Jamaica Hospital Medical Center
Jones Memorial Hospital
Kaleida Health
Kaleida Health - Golisano Children's Hospital
Lenox Hill Hospital
Lewis County General Hospital
Little Falls Hospital
Long Island Jewish Medical Center
Maimonides Medical Center
Maimonides Midwood Community Hospital
Margaretville Hospital
Massena Hospital
Mercy Hospital (Long Island)
Montefiore Medical Center
Montefiore Mount Vernon Hospital
Montefiore New Rochelle Hospital
Montefiore Nyack Hospital
Montefiore St. Luke's Cornwall Hospital
Mount St. Mary's Hospital and Health Center
Mount Sinai Beth Israel - All Divisions

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¹NACHC Blog (October 2025) A Year in Review: State Legislative Trends in 340B in 2025. nachc.org/a-year-in-review-state-legislative-trends-in-340b-in-2025

²America's Essential Hospitals (May 2024) States Pass 340B Contract Pharmacy, Nondiscrimination Legislation. essentialhospitals.org/states-pass-340b-contract-pharmacy-nondiscrimination-legislation

- Mount Sinai Hospital
- Mount Sinai Morningside
- Mount Sinai South Nassau
- Nassau University Medical Center
- Nathan Littauer Hospital
- New York Eye and Ear Infirmary of Mount Sinai
- NewYork-Presbyterian Hospital
- NewYork-Presbyterian Queens
- NYC Health + Hospitals / Bellevue
- NYC Health + Hospitals / Elmhurst
- NYC Health + Hospitals / Harlem
- NYC Health + Hospitals / Jacobi
- NYC Health + Hospitals / Kings County
- NYC Health + Hospitals / Lincoln
- NYC Health + Hospitals / Metropolitan
- NYC Health + Hospitals / Queens
- NYC Health + Hospitals / South Brooklyn Health
- NYC Health + Hospitals / Woodhull
- North Shore University Hospital
- O'Connor Hospital
- Olean General Hospital
- Orleans Community Health
- Oswego Health
- Phelps Hospital
- Richmond University Medical Center
- Rochester General Hospital
- Rome Health
- SBH Health System
- St. Charles Hospital
- St. John's Episcopal Hospital
- St. Joseph's Health (Syracuse)
- St. Peter's Hospital
- Samaritan Hospital
- Samaritan Medical Center
- Schuyler Hospital
- Sisters of Charity Hospital
- Soldiers and Sailors Memorial Hospital
- South Shore University Hospital
- Staten Island University Hospital - All Divisions
- Stony Brook University Hospital
- Strong Memorial Hospital
- The Brooklyn Hospital Center
- UHS Chenango Memorial Hospital
- UHS Delaware Valley Hospital
- United Health Services Hospitals, Inc.
- United Memorial Medical Center
- Unity Hospital
- University Hospital of Brooklyn
- UPMC Chautauqua
- University of Vermont Health - Alice Hyde Medical Center
- University of Vermont Health - Champlain Valley Physicians Hospital
- University of Vermont Health - Elizabethtown Community Hospital
- Upstate University Hospital
- Wyoming County Community Health System
- Westchester Medical Center
- Wynn Hospital

- cc: Megan Baldwin
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