COMMUNITY ACCESS NATIONAL NETWORK

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Community Access National Network Responds to Introduction of the SUSTAIN 340B Act

WASHINGTON, DC (August 5, 2026) – Today, Jen Laws, **President & CEO of Community Access National Network** (CANN) and Kalvin Pugh, CANN's **340B Policy Director**, released the following statement in response to the introduction of the SUSTAIN 340B Act:

"The 340B program, initially designed to help vulnerable communities, families and individuals access lifesaving health care, has the potential to fulfill its intended purpose. However, today's release of the long-awaited SUSTAIN Act reveals that lawmakers' focus remains on entities that have exploited this program to enhance their profit margins, rather than on the patients who should be able to rely on it," said Pugh.

Laws explains CANN's patient-driven concerns as follows: "SUSTAIN's introduction marks the capstone of a busy season of federal 340B activity, following HRSA's revised Rebate Model Pilot Program and the Ways and Means Committee's approval of the Tax Exempt Hospital Transparency Act. CANN looks forward to robust discussion of the issues raised across these proposals. That said, SUSTAIN makes the same mistake as its predecessors: treating covered entity and manufacturer interests as the primary conflict to be resolved, with patient interest folded in as an assumed byproduct rather than centered on its own terms. We've said it before and SUSTAIN proves it again – if patients aren't at the table, they're on the menu."

"Nowhere is that clearer than in SUSTAIN's proposed data clearinghouse, which doesn't *prevent* duplicate discounts so much as promise to catch them after the fact, funded by a new user fee. We've already watched this movie: New York Times reporting on Apexus, the program's existing fee-funded Prime Vendor, showed how a revenue model tied to program growth incentivized exactly the behavior 340B oversight is supposed to guard against. A second fee-driven contract doesn't fix that; it just adds another hand in the cookie jar, extracting value from the program and routing it toward the consultant and contractor landscape instead of patients," added Laws.

"To its credit, SUSTAIN's child site provisions are the strongest piece of this proposal. Requiring child sites to be wholly owned and integrated with their parent covered entity, and disincentivizing acquisitions made solely to expand a 340B footprint, aligns entity operations with the communities they're meant to serve – a meaningful improvement the other two proposals introduced this Congress don't address or could potentially make worse," added Pugh.

"Everywhere else, SUSTAIN still confuses institutional compliance with patient benefit. Current practice, reflected in IRS Form 990 Schedule H, lets covered entities count providing care at federally-set Medicare and Medicaid reimbursement rates as a 'community benefit' – but meeting those reimbursement terms is a prerequisite for 340B eligibility in the first place, not evidence of how 340B savings are spent. Patient and community benefit should be demonstrated through auditable investment in direct patient affordability, charity care, preserved services, and expanded clinical capacity," concluded Laws.

"As these proposals move towards markup, CANN urges Congress to weigh SUSTAIN alongside the HRSA Rebate Model Pilot and the Tax Exempt Hospital Transparency Act, not apart from them. Stapling together three bills written for institutions won't produce a bill written for patients. Congress has the pieces for real 340B reform on the table; it just needs the will to build with patients in mind," concluded Pugh.

For general information and media inquiries, please contact press@tiicann.org.

About Community Access National Network: *The mission of the Community Access National Network (CANN) is to define, promote, and improve access to healthcare services and supports for people living with HIV/AIDS and/or Viral Hepatitis through advocacy, education, and networking. These services must be affordable to the people who need them regardless of insurance status, income, or geographic location.*