The Future of 340B

Navigating the Shift Toward Rebate Models by 2027

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What Happens When an

Upfront Discount

Becomes a Rebate Receivable?

The Current 340B Model

01



Dispense

Drug leaves neutral inventory.

02



Accumulate

Eligible dispensed units enter the 340B accumulator.

03



Replenish

Purchase replacement inventory at the 340B price.

340B Price = Manufacture Discounted Price

The Financial Model Is Changing

	UPFRONT DISCOUNT	REBATE MODEL
Purchase price	Lower 340B price	WAC through the existing 340B wholesale account
When savings arrive	Through the lower purchase price	Through a later rebate after data submission
Cash impact	Less cash needed for the purchase	More cash needed initially while awaiting the rebate

WAC = Wholesale Acquisition Cost

Key Drivers of the HRSA Rebate Pilot

01

Program growth

02

Transaction visibility

03

Data collection

Rebate Pilot: Rules Covered Entities Need to Know

Approved plans begin January 1, 2027

45

calendar days from dispense
for claims submission

10

calendar days from complete submission
for payment or documented denial

Unit rebate = WAC minus the 340B ceiling price on the dispense date

Rebate Pilot Scope

10 approved manufacturers. Applicable selected-drug NDCs. January 1, 2027.

Manufacturer	Selected drug names listed by HRSA
AbbVie	Imbruvica, Linzess, Vraylar
Amgen	Enbrel, Otezla, Otezla XR
Astellas Pharma US	Xtandi
AstraZeneca	Farxiga
Bristol Myers Squibb	Eliquis, Pomalyst
Boehringer Ingelheim	Jardiance, Ofev, Tradjenta
GlaxoSmithKline	Breo Ellipta, Trelegy Ellipta
Merck Sharp & Dohme	Januvia, Janumet, Janumet XR
Pfizer	Ibrance
Teva	Austedo, Austedo XR

The Cash Timing Gap

01

WAC purchase

Higher upfront price

02

Complete submission

Required data reaches the platform

03

Payment

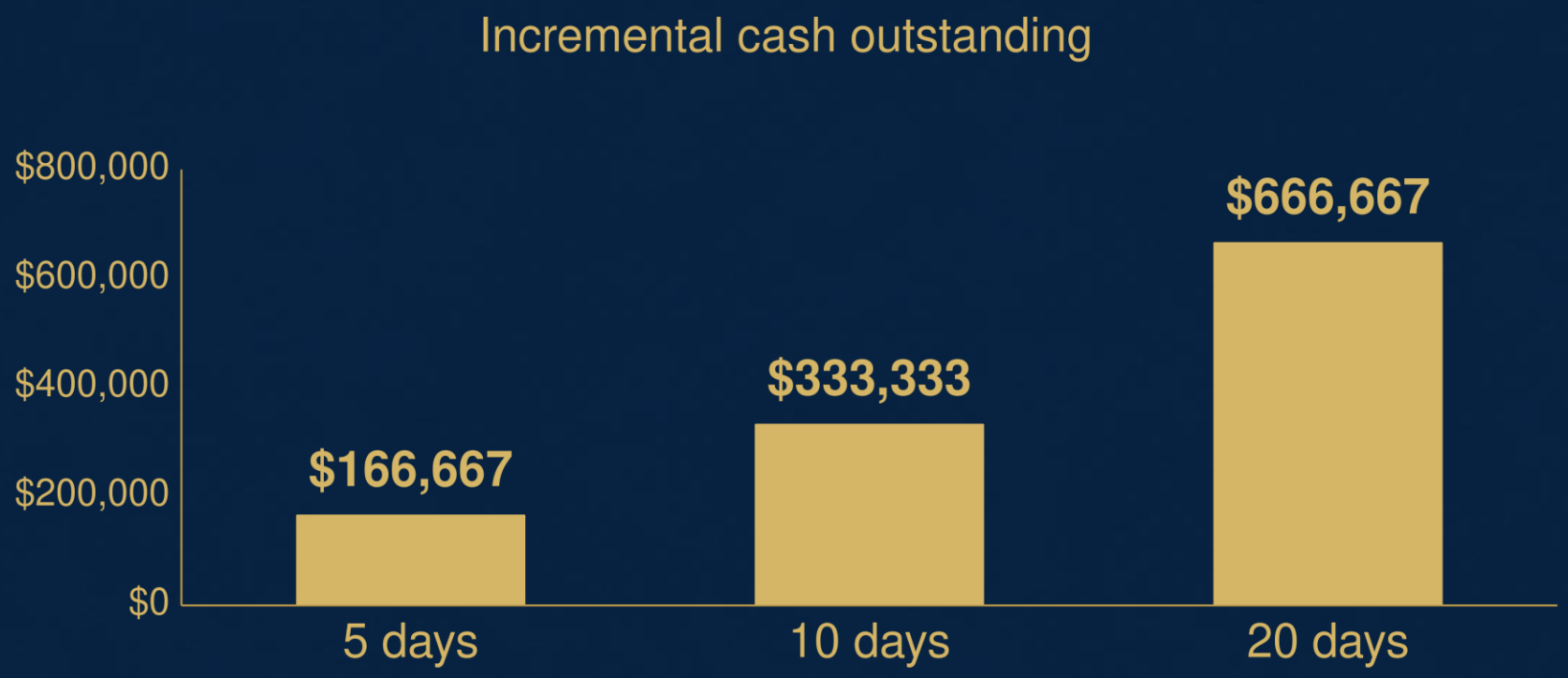
Funds return to the CE

THE GAP

Upfront cash the CE must fund

CE = Covered Entity

Working Capital Exposure



Illustrative Example

$667K
temporarily outstanding at 20 days

$1M = 30 Days	$33,333 = Per Day

Eligible. Submitted. Paid. Reconciled.

01

Eligible

Does the transaction qualify for 340B?

02

Submitted

Did the platform receive complete data?

03

Paid

Did the CE receive the rebate funds?

04

Reconciled

Does payment match the expected amount?

One Claim Through the Rebate Lifecycle

01

Encounter / dispense

Internal records support eligibility.

02

WAC replenishment

Purchase in the 340B account.

03

Complete submission

Approved data and receipt.

04

Validation

Manufacturer reviews claim data for completeness.

05

Payment or denial

Funds or documented exception.

06

Reconciliation

Match the claim and payment.

Claim-Level Data

EXAMPLE FIELDS

Drug	NDC-11
Service	Date of service
Units	Quantity
Entity	340B ID

NDC = National Drug Code

Identify

Distinguish the individual transaction.

Trace

Follow submission, response, and payment.

Tracking Expected Rebates

01

Expected rebate

Calculate and track by claim.

02

Accounting policy

Finance defines recognition and valuation.

03

Cash collection

Reconcile funds and resolve open balances.

The operational open balance and booked receivable need a defined reconciliation

Reconciliation

Claim	Expected	Received	Difference	Status
001	$500	$500	$0	Matched
002	$750	$700	$50	Amount variance
003	$400	$0	$400	No payment recorded
004	$300	$250	$50	Amount variance
Total	**$1,950**	**$1,450**	**$500**	**Requires follow-up**

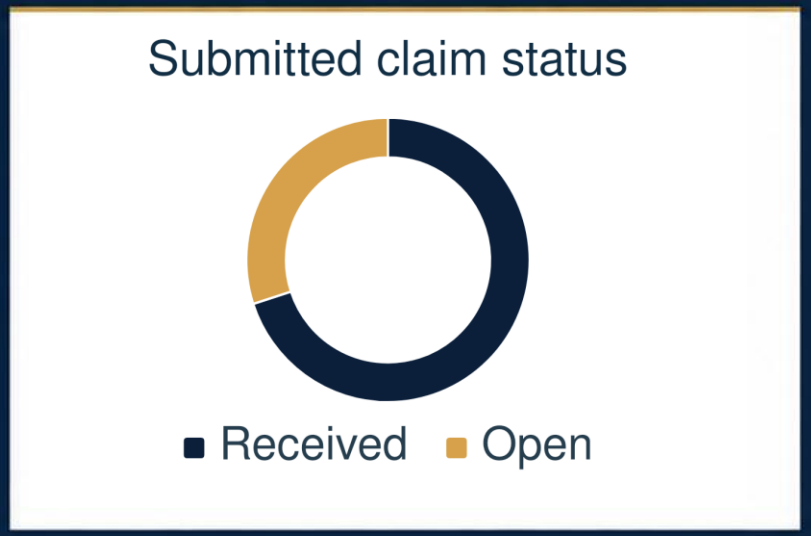
$500

UNRESOLVED

Investigate timing, amounts, and documented responses

Rebate Dashboard

$2.50M	$1.75M	$750K
Submitted	Received	Open before adjustments



Illustrative Example

OPEN REBATE EXCEPTIONS

- ❑ Overdue complete submissions
- ❑ Incomplete data and rejected files
- ❑ Documented denials and unmatched payments

Potential Failure Points

Failure point	Financial effect	Control / proposed owner
Wrong NDC or quantity	Incorrect expected amount	Mapping checks / 340B and TPA
Missing field or transmission	Submission delay	Receipt and completeness checks / submitter
Documented allowed denial	Recovery requires follow-up	Reason review / 340B lead
Partial or unmatched payment	Unresolved open balance	Claim matching / Finance and 340B

TPA = Third-Party Administrator

Auditability & Financial Controls

01

Internal support

- ✓ Eligibility records
- ✓ Purchases and replenishment
- ✓ NDC / quantity mapping

02

Rebate evidence

- ✓ Submission receipts
- ✓ Responses and corrections
- ✓ Payment / resolution files

03

Financial oversight

- ✓ Claim-to-payment matching
- ✓ Open-balance review
- ✓ Reconciliation

Preparing Before January 1st

01

Scope

NDCs
Cash exposure

02

Partners

Define roles
Vendor responsibilities

03

Validate Data

Confirm eligibility

04

Controls

Finance policy
Reconciliation

05

Test the Process

Review each handoff

Questions to Ask Your TPA

01 SCOPE

How will you identify affected NDCs and keep the list current?

02 SUBMISSION

Who submits our claims, and how will we confirm receipt?

03 RECONCILIATION

How will we match each rebate payment to the original claim?

04 Exceptions

Who owns corrections and disputes, and what is the turnaround time?

Key Takeaways



Cash exposure

Higher initial acquisition cost creates a funding requirement.



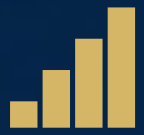
Complete submissions

Data quality and timing affect cash recovery.



Reconciliation

Match payments to expected amounts at the claim level.



Accountable ownership

Every open claim needs a follow-up path and owner.

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Treating you better...for life.

Questions?

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