

# ALTAMED HEALTH SERVICES CORPORATION

## CASE STUDY

340B  
WHAT ABOUT  
ME?



tiicann.org

### OVERVIEW

Health conglomerates, like AltaMed, are abusing the 340B Drug Discount Program at the expense of patient affordability. **AltaMed is the nation's largest FQHC with \$1.5B in revenue and \$600M+ in investments in stocks and other funds.**<sup>1</sup> AltaMed operates 67+ clinics in Southern California and serves more than 500,000 patients annually -- 84% are Medi-Cal beneficiaries.<sup>2</sup>

### RED FLAGS

- **Exorbitant Executive Salaries**<sup>3</sup>
  - CEO makes \$2M annually.
  - CEO's wife, the EVP and Chief Administrative Officer, makes more than \$800,000 annually. She also serves as AltaMed Foundation's President.
  - Together, the two have received \$21M in loans from AltaMed for life insurance arrangements.
- **Concerning Use of Funds**
  - In 2023, paid \$75K to a sports marketing agency and \$30K to a NYC art curator for "Reduced Health Disparity in Underserved Communities."<sup>4</sup>
- **Art Collection**
  - One of the largest Chicano art collections in the world; personally overseen by AltaMed CEO.<sup>5</sup>
  - Spent more than \$1M on international art between 2020-2025.<sup>3</sup>

### 340B MISUSE

- **Proliferate Use of Contract Pharmacies**<sup>6</sup>
  - Despite having multiple in-house pharmacies, AltaMed is affiliated with 400+ 340B contract pharmacies.
    - ~80 are located outside of the state.
    - 200+ CVS contract pharmacy sites, ~50 of which are out-of-state.
- **Advancing AltaMed's Political Agenda**
  - Uses resources to advance political agenda items, including "leveraging AltaMed's community health center infrastructure" to turn out certain voters in priority areas.<sup>7</sup>
  - CEO is on the board of Latino Victory; in 2022 AltaMed gave the nonprofit \$200K.<sup>8</sup>
- **Minimal Charity Care**
  - In 2023, only provided \$14.8M in charity care; \$11.5M was subsidized by outside grants and gifts.<sup>1</sup>

### CONCLUSION

**As of 2025, AltaMed has collected a total of \$388M in HHS grants.**<sup>9</sup> The "non-profit" is affiliated with AltaMed Foundation, a 501(c)(3), AltaMed Action Fund, a 501(c)(4), Altura Management Services, AltaMed IPA / Omnicare Medical Group, and AltaMed Institute for Health Equity. Despite more than \$1 billion in the bank, AltaMed provides minimal charity care while continuing to exploit a federal drug discount program for vulnerable patients.

1) ProPublica: [AltaMed Health Services Corp.](#) Audit for period ending December 2023.

2) Department of Health Care Access and Information. [Cost-Reducing Strategy: AltaMed](#). Presented at the Health Care Affordability Board Meeting. November 20, 2024.

3) ProPublica: [AltaMed Health Services Corp.](#) Tax Filings and Audits.

4) ProPublica: [AltaMed Health Services Corp.](#) Form 990 for fiscal year ending Dec. 2023.

5) [AltaMed.org](#). [AltaMed Art Collection](#).

6) Health Resources & Services Administration. Office of Pharmacy Affairs 340B OPAIS. [Contract Pharmacy Search](#).

7) AltaMed My Vote. My Health. [GOTV Analysis Report](#). 2022.

8) ProPublica: [AltaMed Health Services Corp.](#) Form 990 for fiscal year ending Dec. 2022.

9) TAGGS: [AltaMed Health Services Corporation](#). [Issue Date Summary](#). 1995-2025.