

ALTAMED HEALTH SERVICES CORPORATION

CASE STUDY



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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.**¹ AltaMed operates 67+ clinics in Southern California and serves more than 500,000 patients annually -- 84% are Medi-Cal beneficiaries.²

RED FLAGS

• Exorbitant Executive Salaries³

- 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."⁴

• Art Collection

- One of the largest Chicano art collections in the world; personally overseen by AltaMed CEO.⁵
- Spent more than \$1M on international art between 2020-2025.³

340B MISUSE

• Proliferate Use of Contract Pharmacies⁶

- 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.⁷
- CEO is on the board of Latino Victory; in 2022 AltaMed gave the nonprofit \$200K.⁸

• Minimal Charity Care

- In 2023, only provided \$14.8M in charity care; \$11.5M was subsidized by outside grants and gifts.¹

CONCLUSION

As of 2025, AltaMed has collected a total of \$388M in HHS grants.⁹ 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](#).