

The League of Women Voters of Oregon is a 97-year-old grassroots nonpartisan political organization that encourages informed and active participation in government. We envision informed Oregonians participating in a fully accessible, responsive, and transparent government to achieve the common good. LWVOR Legislative Action is based on advocacy positions formed through studies and member consensus. The League never supports or opposes any candidate or political party.

February 2, 2018

To: House Health Care Committee Representative Mitch Greenlick, Chair Representative Rob Nosse, Vice Chair Representative Cedric Hayden, Vice-Chair

Re: HB 4005 - Reports on the price and costs of prescription drugs - Support

The League of Women Voters has a national position to promote a health care system that provides access to a basic level of quality care for all residents and controls health care costs.

The League listened to discussions in the Health Care Committees in the 2015 and 2017 Sessions and heard that cost control of pharmaceuticals was an issue in the Department of Consumer and Business Services and the Insurance Division. This bill requires drug manufacturers to report to DCBS on the price of a drug when it was approved and the yearly increase in the past five years, including a report on direct costs to manufacture, market and distribute the drugs. DCBS can assess civil penalties if a manufacturer fails to report or provide information.

The League supports the requirement to report prices and costs of manufacturing pharmaceuticals to the Department of Consumer and Business Services and its role in reviewing price increases, which impact consumers, insurance companies, and public agencies. This bill gives the Insurance Division the tools it needs to gather information on the pharmaceutical pricing practices and its impact on premium rates. DCBS will be expected to conduct a public hearing annually on reported information.

The League supports the proposed reporting to the DCBS and the Insurance Division, and the potential benefit to the clients receiving services in the health care system.

Thank you for the opportunity to discuss this legislation.

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