



February 21, 2018

The Honorable Mark Hass
900 Court St. NE, S-207
Salem, Oregon 97301

The Honorable Elizabeth Steiner Hayward
900 Court St. NE, S-215
Salem, Oregon 97301

The Honorable Ken Helm
900 Court St. NE, H-490
Salem, Oregon 97301

The Honorable Sheri Malstrom
900 Court St. NE, H-280
Salem, Oregon 97301

Dear Senator Hass, Senator Steiner-Hayward, Representative Helm and Representative Malstrom:

The Beaverton Area Chamber of Commerce encourages your opposition to House Bill 4005.

Our region is home to a vibrant life science sector that provides high wage jobs and significant economic activity for our community. We are supportive of efforts to tackle the issue of drug pricing. However, we are opposed to policy and/or regulatory requirements that may stifle innovation and hamper important industry growth.

HB 4005 is such a policy as it would require biopharmaceutical manufacturers to publicly report information that could end up distorting market dynamics under the guise of so-called “transparency.” These requirements ignore and misconstrue key issues relating to the value of medicines and their role in the healthcare system, and would divert resources from the development of innovative new cures.

HB 4005 misunderstands the complex relationship between and impact of drug channel participant’s on the price a patient ultimately pays for a medicine. In doing so, it could interfere with the market-based environment in which pricing decisions are made. This bill also ignores the robust negotiated discounts, rebates, and patient assistance programs that exist to cut the retail price of drugs. Furthermore, it fails to address out-of-pocket costs for patients, which are set by insurance plans, not manufacturers.

So while consumers gain nothing, Oregon's life science sector will be punished.

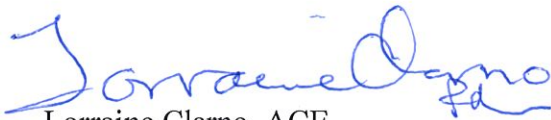
Subjecting these companies to onerous administrative requirements, which are disconnected from the information that patients and doctors actually need to make clinical decisions, will force them to divert scarce resources from research and development activities that can help bring new treatments and cures to market faster.

This bill also fails to offer the same intellectual property protections that the California bill, on which HB 4005 is built, offered its life science sector. Under HB 4005, companies will be forced to divulge proprietary information. If Oregon bioscience companies are forced to divulge trade secrets, it would harm their ability to compete with other manufacturers and effectively negotiate with purchasers. The failure to protect information is a fundamental flaw of this bill that represents a threat to our regional and statewide innovation economy.

The fact that life science and medical innovation has been an engine for our state cannot be denied. Just look at the pending campuses at the University of Oregon and OHSU. It is an industry we should look to foster rather than impede and HB 4005 does the latter.

We urge you to vote NO on HB 4005.

Sincerely,



Lorraine Clarno, ACE

President/CEO

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