



May 18, 2021

TO: House Committee on Health Care
FR: Charlie Fisher, Director, Oregon State Public Interest Research Group (OSPIRG)
RE: SB 764

OSPIRG is a statewide, citizen-based, public interest organization representing thousands of Oregonians.

OSPIRG supports SB 764 as an important tool to get cheaper generic drugs on the market faster.

The Prescription Drug Price Transparency program that the legislature created several years ago has been helpful at illustrating that prescriptions still cost too much. That expense is even more apparent when you compare the costs of brand name versus generic prescriptions. The top five most expensive brand name prescriptions that had price increases in 2020 were between \$23,000-43,000. In contrast, the top five most expensive generic prescriptions with price increases were between \$1,200 and \$2,800.¹

Given the stark differences in the cost between generics and brand name drugs, it's especially important that artificial barriers are not created to prevent generics from entering the market. The bill before you helps accomplish that by addressing the problem of pharmaceutical manufacturers paying generic manufactures not to develop a cheaper generic version of their brand name drug for a period of time, or "pay for delay."

We've heard from many folks across the state about the high cost of their prescriptions. One young man shared that he works both a full-time job and a weekend job, but is still reliant on his family to help pay for his prescriptions. He said, "It's terrifying to me knowing I work sometimes 56 hours a week, and still can't afford insulin for myself." Another woman told us that her monthly bill for prescriptions alone is over \$8,000. Her insurance covers some of it, but her husband is retiring and soon they won't have the same coverage. That \$8,000 bill is a big concern for them.

SB 764 gives the state one more tool to combat these incredibly high prices. We urge your support.

¹ Page 38 and 39 of the [Oregon Drug Price Transparency Program Annual Report of 2020](#).