SEN. SONYA JAQUEZ LEWIS

SENATE DISTRICT 17

Boulder, Broomfield & Weld Counties







February 20, 2023

Dear Esteemed Members of the Oregon Senate Committee On Health Care:

I am writing to urge your support of Oregon Senate Bill 404-1 in my capacity as a licensed Pharmacist and a Colorado State Senator. In 2021, I led Colorado's successful efforts to create a Prescription Drug Accountability Board (PDAB). This written testimony will shed light on the achievements of Colorado's Board and its vital authority to establish upper payment limits (UPLs).

Governor Jared Polis signed Colorado Senate Bill <u>21-175</u> into law on June 16, 2021. The Governor appointed PDAB Board Members on September 27, 2021. In its nearly 18 months since creation, Colorado's PDAB has already achieved the following goals:

- Appointed 15 members to the Prescription Drug Affordability Advisory Council (PDAAC) to provide stakeholder input on prescription drug affordability;
- Held more than a dozen PDAB and PDAB stakeholder meetings;
- Established an appeals process for Board decisions;
- Established a methodology and process for the Board to annually identify and select prescription drugs eligible for affordability review and conduct affordability reviews;
- Established a methodology and process required for the Board to establish UPLs for prescription drugs it has determined to be unaffordable; and,
- Established a formula and process for carriers issuing health benefit plans to calculate and document savings attributable to the establishment of a UPL by PDAB and established the process by which the savings achieved during the preceding plan year is documented.

As you can see, PDAB's extensive process to get to the point of conducting reviews and establishing UPLs has been extremely methodical, analytical, and filled with clinical expertise and public input. PDAB is expected to approve its first published list of prescription drugs selected for affordability review in its meeting on March 31, 2023. I have the utmost confidence that this data-driven process will successfully guide PDAB in its future work to establish UPLs to save Coloradans money on their life-saving prescription drugs.

Thanks to the impressive effectiveness of PDABs thus far, several states, including my own, are looking at ways to strengthen the Boards. Washington, Colorado, and various other states are now researching and proposing legislation to expand the number of drugs to be reviewed and expand the number of UPLs able to be established because of the vast number of prescription drugs that are seeing exorbitant price increases.

The importance of allowing Oregon's PDAB to establish upper payment limits cannot be understated. Through these Boards, members are able to gather state-specific information illustrated through patient and clinician feedback to illustrate a clear picture of how much patients are suffering trying to pay for drugs. Though the authority to review prescription drugs' affordability is vital to understanding exorbitant price increases, it is useless without the authority to establish UPLs. This authority gives the Board a mechanism to enforce its affordability standards, resulting in actual savings for residents of our great states.

The United States of America is far behind the rest of the world. All other countries, except the United States and American Samoa, have national Drug Review Boards or PDABs, enabling them to keep prescription drugs affordable for their citizens.

Right now, Individual states are passing affordability standards for each category of prescription drugs, first, insulin, now epipen. However, there are 1000s of categories of medications. Without an Upper Payment Limit, the Prescription Drug Board could only recommend changes, not actually have the "teeth" to make it happen. Each specific drug would require its own piece of legislation.

As you can imagine, our constituents cannot wait for that lengthy process as they deal with paying for food, utilities, and rent instead of life-saving prescription medication.

The Pharmaceutical industry is one of the most profitable industries in the world. If Pharma was not making a profit in other countries even with their affordability standards, they would withdraw their products from that market. As we know, that is not happening. US Pharmaceutical manufacturers are selling their products all over the world, and the days when the American consumer is paying for the outrageous profits of this industry should end. Even Medicare was finally given the ability to negotiate the affordability of 10 drugs. States like

Oregon should lead the way and establish the Upper Limits for all the medications that are overpriced for Oregonians. If enough States join together in these efforts, we will pressure the federal government to follow suit.

Until then, I urge you to support Oregon Senate Bill 404-1 and give your state's PDAB true change-making authority with the Upper Payment Limit. It is the World standard, it should be Oregon's standard.

Please vote "aye" to ensure the passage of Oregon Senate Bill 404-1 as amended.

Sincerely,

Senator Sonya Jaquez Lewis

Sompa