



January 24, 2022

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Dear Chair Nosse, Vice-Chairs Goodwin & Nelson, and committee members:

I am writing on behalf of Cascade AIDS Project (CAP) to express our support for House Bill 2716.

CAP operates Prism Health, an LGBTQ+ health center providing comprehensive primary and behavioral healthcare. As a Federally Qualified Health Center Look-Alike, Prism serves patients on a sliding fee scale and does not turn away anybody for inability to pay. Approximately half of our patient visits are from Oregon Health Plan members or people who do not have insurance.

In order to offer a comprehensive range of high-quality services regardless of ability to pay, while remaining financially stable, Prism Health relies on the 340b program. This federal drug-discount program allows certain "covered entities," including Federally Qualified Health Centers, to purchase prescription drugs at a discount, get reimbursed for them at the regular price, and apply the difference toward keeping our organizations financially whole. 340b is a critical revenue source for safety-net clinics like Prism.

Unfortunately, pharmacy-benefit managers (as well as pharmaceutical manufacturers) are seeking to undermine the 340b program in a variety of ways, because it limits the amount of revenue that they can earn from prescription drugs. For example, pharmacy-benefit managers (PBMs) are reimbursing pharmacies and pharmacists for drugs purchased through 340b at a lower rate than for non-340b drugs, and severely restricting which pharmacies/pharmacists they will reimburse for 340b drugs.

House Bill 2716 would prohibit these practices. From Prism Health's perspective, PBMs' profit-driven meddling in 340b is making it increasingly difficult for community-serving health organizations like ours to participate in a program Congress created to benefit us. We urge you to remedy this situation and protect the healthcare safety net by advancing this legislation.

Sincerely,

Jonathan Frochtz wajg
Public Policy & Grants Manager, Cascade AIDS Project