

January 24 & 25, 2023

The Honorable Rob Nosse, House Committee on Behavioral Health and Health Care
900 Court St. NE
Salem OR 97301

RE: House Bills 2716 and 3013

Dear Chair Nosse and members of the House Committee on Behavioral Health and Health Care,

Kaiser Permanente is committed to providing high-quality, affordable health care services to the members we serve. We are concerned that House bills 2716 and 3013, as introduced, would limit our ability to provide pharmaceutical coverage to our members in the safest and most cost-effective manner.

Our KP pharmacies are a key component of our integrated model of care. Pharmacists have access to the full patient electronic health record system, as well as to the prescriber if questions or concerns arise, improving the safety of our medication use processes. Furthermore, our pharmacists actively track medication adherence for patients with chronic conditions and regularly communicate with them on how to take their medications most effectively, improving patient health and reducing avoidable health care costs.

KP also selectively contracts with external pharmacies that support our commitment to high quality, affordable care. Requiring health insurers or integrated systems such as KP to contract with all willing pharmacies would undermine the quality and savings achieved through carefully tailored pharmacy networks. In previous economic analysis of similar laws, researchers found an association between such laws and an increase in both overall per-patient health expenditures and an increase in per-patient pharmaceutical spending¹.

Kaiser Permanente is opposed to any legislation that would obviate the benefits of our integrated model and prevent us from selectively contracting with pharmacies that align with our mission and meet the needs of our members.

Thank you for your consideration; we look forward to further discussion.

Sincerely,

Elizabeth Edwards
Director of Government Relations, Kaiser Permanente

¹ C. Durrance, *The Impact of Pharmacy-Specific Any-Willing-Provider Legislation on Prescription Drug Expenditures*, *Atl Econ J*, 2009; 37: 409-423