



# Senate Bill 404

In 2021, OCAP successfully worked with lawmakers to help pass SB 844, which created a Prescription Drug Affordability Board (PDAB) in Oregon. **Senate Bill 404 aligns with recommendations laid out in the PDAB 2022 Report** to improve prescription drug spending transparency and follow the money in Oregon, as well as take action to help rein in out-of-control drug prices.

## Senate Bill 404 includes:



### Supply Chain Transparency

Requires Pharmacy Benefit Managers (PBMs) and other group purchasers to report aggregated rebates and other payments from manufacturers annually to the Drug Price Transparency (DPT) program at the Oregon Department of Consumer and Business Services (DCBS), which will be made available online. This reporting and online data will allow Prescription Drug Affordability Board (PDAB) members, advocates, and the public to better understand the economic factors involved in drug pricing.



### Expand Patient Assistance Program Reporting

Expands requirements so that all prescription drug manufacturers must report annually on all patient assistance programs they maintain or fund. This measure helps fill in the current gaps in understanding overall pharmaceutical spending in Oregon.



### Include More Insurers in the Drug Price Transparency Program

Expands drug spending reporting to all state regulated health insurance carriers in Oregon, and better aligns the timeline for reporting by separating rate filing and drug spending reporting. This measure helps paint a more complete and consistent picture of carrier prescription drug spending.



### Implement Upper Payment Limits (UPL)

Grants authority to the Prescription Drug Affordability Board (PDAB) to set an upper payment limit on certain prescription drugs for state and local government purchasers. This enables direct action to cap the amount state and local government purchasers can pay for drugs.



### Patient Advocacy Organization Funding Transparency

Requires patient advocacy organizations funded by the prescription drug industry to disclose contribution amounts. Additionally, these organizations would need to disclose what percentage of their annual gross income comes from contributions from manufacturers, third parties, Pharmacy Benefit Managers (PBMs), or other organizations.

## Organizations Supporting SB 404 include...





Oregon Coalition for Affordable Prescriptions (OCAP) is an advocacy organization representing Oregonians affected by high drug prices, including health care providers, nonprofits and community advocates who believe prescription medications should be affordable and accessible to everyone who needs them.

## About OCAP

Skyrocketing prescription drug prices are hurting Oregonians. Every day, too many patients and their families are forced to make difficult choices in order to afford the prescription medications they need to live comfortably and survive. No one should have to cut pills, skip doses, or choose between critical medications and paying for rent and groceries.

**Oregon Coalition for Affordable Prescriptions (OCAP) was founded in 2017 to hold drug companies accountable and ensure all Oregonians have affordable access to prescription medications when they need them.** We are working to amplify the voices of Oregonians impacted by out-of-control drug pricing, and pass legislation aimed at greater transparency, accountability, and lowering prescription drug costs.

## All Oregonians should have access to affordable prescriptions.

Price gouging by pharmaceutical companies has disproportionately impacted seniors, people with disabilities, BIPOC communities, and people with low incomes – exacerbating health inequities in our state.

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## Pharmaceutical companies continue to raise their prices without justification or regulation – and it's hurting all of us.

Americans should not have to pay an average of 250% more than other countries for the same medications. From patients and their families struggling to afford their medications, to businesses being priced out of affordable health insurance for employees, to directing more and more tax dollars to cover drug price increases – Big Pharma's skyrocketing prescription prices impact everyone.

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## While drug prices must be addressed at the national level, we cannot wait for Congress to act.

Congress must take action to lower prescription drug prices as soon as possible. Until then, Oregonians struggling to afford their medications need relief *right now*. State leaders must make prescription drug affordability and holding pharmaceutical companies accountable a top priority.

**OCAP is working to support efforts in Oregon that hold prescription drug companies accountable for egregious price gouging, increase transparency and regulation of pharmaceutical marketing practices and anti-competitive behaviors, and improve access to affordable medications for all Oregonians who need them.**



**OCAP's broad coalition of partners have worked to make Oregon one of the leading states addressing prescription drug affordability in the country.** Since 2017, our coalition has successfully passed four new laws aimed at lowering prescription drug prices, increasing transparency, and holding pharmaceutical companies accountable.

## Record of Success:



### **Prescription Drug Price Transparency Act**

In 2018, OCAP successfully helped pass HB 4005, the Prescription Drug Price Transparency Act, with a bipartisan supermajority. Since then, manufacturers have had to report price increases of 10% or more through Oregon's Prescription Drug Price Transparency Program.



### **60-Day Advance Notice of Drug Price Increases**

In 2019, OCAP successfully helped pass HB 2658, which requires drug manufacturers to give 60 days advance notice of steep price increases. Similar legislation passed in other states was effective in curbing price increases and gives patients time to find alternatives if needed.



### **Prescription Drug Affordability Board**

In 2021, OCAP successfully helped pass SB 844, which creates a Prescription Drug Affordability Board (PDAB) in Oregon – an important step towards addressing skyrocketing prices.



### **Pharmaceutical Sales Rep Licensure**

In 2021, OCAP also helped pass SB 763 to help hold pharmaceutical companies accountable by requiring pharmaceutical sales reps to undergo education, including ethics training, and obtain a license before selling drugs in the state. Reps must also report their activity to the state.

**We've made progress – but there is still more work to do to ensure every Oregonian has access to affordable medications.** Pharmaceutical companies continue to raise prices on drugs without justification, manipulate the market to maintain monopoly power, engage in anti-competitive behaviors, and spend billions on targeted, aggressive, and unethical marketing tactics.

**OCAP welcomes all individuals, organizations, and businesses who support prescription affordability and holding Big Pharma accountable.** To learn more about joining OCAP's coalition, contact [info@affordablerxnow.org](mailto:info@affordablerxnow.org).