

## The Nation's Advocacy Voice for In-Office Infusion

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Oregon Senate Committee on Health Care 900 Court St NE Salem, OR 97301

February 20, 2023

Re: Concerns with SB 404

Dear Oregon Senate Commerce Committee:

On behalf of the infusion providers we represent in your state, thank you for your service and commitment to the people of Oregon. As a nonprofit trade association that provides a national voice for non-hospital, community-based infusion providers; we wish to express our concerns with OR SB 404.

The National Infusion Center Association (NICA) is a nonprofit organization formed to support non-hospital, community-based infusion centers caring for patients in need of infused and injectable medications. To improve access to medical benefit drugs that treat complex, rare, and chronic diseases, we work to ensure that patients can access these drugs in high-quality, non-hospital care settings. NICA supports policies that improve drug affordability for beneficiaries, increase price transparency, reduce disparities in quality of care and safety across care settings, and enable care delivery in the highest-quality, lowest-cost setting.

We understand the OR SB 404 would establish a state Prescription Drug Affordability Board (PDAB) responsible for establishing an upper payment limit (UPL) for drugs that the board believes will cause affordability challenges for Oregon patients and the healthcare system. We applaud Oregon lawmakers for working to address drug costs for patients. However, we have concerns for how this legislation will impact infusion practices in the state.

Infusion providers typically acquire, administer, and bill for drugs through a buy-and-bill model. Providers are reimbursed for the drug and provided a small payment for professional services that does not begin to cover the overhead of their business. To stay in business, infusion centers must rely on their drug payments to offset the incredible cost-reimbursement disparity on the



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professional services side. Drug payments are the economic lynchpin to offset practice expenses, including inventory management, staff salaries, and office space.

The inclusion of provider-administered drugs in the category of drugs the PDAB can select causes us great concern. NICA is unclear on how infusion providers will be made whole, should the law remain as is. In order to avoid disruptions to community-based care delivery and keep Oregon infusion centers in business, we ask that you please provide a carve out or solution for infusion providers. Thank you for your consideration.

Sincerely,

National Infusion Center Association (NICA)