

May 4, 2023

The Honorable Julie Fahey  
Chair, House Committee on Rules  
900 Court St., NE, H-295  
Salem, OR 97301

Dear Chair Fahey and Members of the Committee:

I am writing to you today on behalf of the National Community Pharmacists Association in support of HB 3013 as amended, which would help control drug costs in Oregon, provide greater protections for patients regarding their prescription drug benefits programs, and establish greater oversight of the pharmacy benefit managers (PBMs) that administer those benefits.

NCPA represents the interest of America's community pharmacists, including the owners of more than 19,400 independent community pharmacies across the United States and 90 independent community pharmacies in Oregon. These pharmacies employed more than 1,100 Oregonians and they filled more than 5.5 million prescriptions in 2021.

Community pharmacists have long known that opaque PBM practices not only hamper patients' ability to obtain pharmacy services from their trusted community pharmacists, but those practices can also lead to higher drug costs for both patients and plan sponsors. Due to the massive consolidation and vertical integration in the health insurance market<sup>1</sup>, the three largest PBM's control 80% of the prescription drug market<sup>2</sup> giving them the power to engage in abusive practices which limit patient access, increase drug costs and threaten the viability of small business pharmacies. With its licensure and other provisions, HB 3013 addresses some of the opaque practices threatening patient access to community pharmacy services and raising costs for patients and plan sponsors. NCPA strongly supports the provisions in the amended bill to make such regulation uniform to all PBMs.

HB 3013 will bring transparency to prescription drug reimbursements and ensure that PBM-determined reimbursement amounts accurately reflect the true market costs for Oregon pharmacies. The Oregon Average Actual Acquisition Cost (OAAAC) is an objective, evidence-based drug pricing benchmark. By tying the drug ingredient costs to OAAAC and avoiding spread pricing, the bill would ensure that plan sponsors and payers have more information about how their money is being used by their PBMs. NCPA also supports the appeal process and provision allowing complaints to the Department of Consumer and Business Services.

HB 3013 would also prohibit PBM imposed fees and retroactive claim adjustment or "clawbacks." These retroactive clawbacks increase out-of-pocket costs for patients. When a PBM has reimbursed a pharmacy

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<sup>1</sup> <https://ncpa.org/sites/default/files/2023-01/verical-bus-chart.jpg>

<sup>2</sup> [Drug Channels: The Top Pharmacy Benefit Managers of 2021: The Big Get Even Bigger](#)

for filling a prescription, it is not uncommon for the PBM to claw back a portion of the reimbursement days, weeks, or even months later. However, a patient's cost share is not similarly retroactively adjusted. This means that a patient's cost share is based on an arbitrarily inflated figure. Additionally, these clawbacks put a heavy burden on pharmacies due to the uncertainty of these fees. It's very difficult to run a business when you have little budget predictability. HB 3013 will ensure patients' cost shares more accurately reflect the true cost of their health care services and provide more predictability for pharmacy payments. To date, more than twenty states have passed legislation to protect patients and pharmacies from opaque fees and retroactive clawbacks.

In conclusion, HB 3013 would protect patients and pharmacies by putting an end to costly, opaque PBM practices. To protect patient access to vital pharmacy services, we urge you to support the bill. Thank you for receiving our perspective. Please do not hesitate to contact me with questions at (703) 600-1186 or [joel.kurzman@ncpa.org](mailto:joel.kurzman@ncpa.org).

Sincerely,

A handwritten signature in black ink that reads "Joel Kurzman". The signature is written in a cursive, flowing style.

Joel Kurzman  
Director, State Government Affairs