

# United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

February 13, 2024

Dear Members of the Oregon State Legislature,

I am writing to applaud the Oregon State Legislature for considering legislation this session, such as House Bill 4149, that would address the burden pharmacy benefit managers (“PBMs”) impose on local pharmacies. On February 6, the House Committee on Behavioral Health and Health Care held a hearing related to PBM legislation where legislators heard concerns from pharmacists across the state about the strain PBM practices are putting on their ability to keep their doors open. Letting the status quo continue would jeopardize access to care and life saving medication provided by pharmacists in Oregon who serve their communities. I strongly encourage the Legislature to take action to change PBM business practices to be transparent and sustaining for local pharmacies and protect patient choice in order to keep local pharmacies open in Oregon.

An alarming 35 Oregon pharmacies closed in 2023. Some communities have lost their only pharmacy. Legislation like House Bill 4149 would hold PBMs accountable and provide certainty for pharmacy owners and customers by increasing transparency and cracking down on retaliation against pharmacies and other unfair PBM practices that limit patient access and hurt pharmacies. Patients deserve predictable access to affordable, high quality medication.

As Chairman of the U.S. Senate Committee on Finance, I am working at the federal level to provide relief to pharmacies from unfair PBM business practices that have been uncovered under the Medicare and Medicaid programs. I am currently fighting to pass two federal bills as promptly as possible—the *Modernizing and Ensuring PBM Accountability Act* (S. 2973) and the *Better Mental Health Care, Lower-Cost Drugs, and Extenders Act* (S. 3430). These bills, which passed out of the Finance Committee nearly unanimously, would help protect pharmacies from abusive PBM practices, dramatically increase transparency over PBMs, and help ensure PBMs share more savings on prescription drugs with patients covered under Medicare and Medicaid programs. In March 2022, I also urged the Centers for Medicare & Medicaid Services (CMS) to rein in certain “claw back” practices that PBMs have used to squeeze pharmacies out of business. In response, CMS finalized a rule prohibiting PBMs from applying direct and indirect remuneration (DIR) fees to the price of a drug after the point of sale. This initial step begins to create transparency and predictability over PBM payments to pharmacies, protecting independent pharmacies from unexpected clawbacks while lowering costs to patients.

Our combined efforts at the federal and state level are needed to ensure a sustainable environment for local pharmacies, and ensure access to affordable, high quality prescription drugs and healthcare. I encourage this state legislation continuing through the process and support its goal to sustain Oregon pharmacies.

Thank you again for your consideration of legislation to protect patients and pharmacies. I look forward to our continued partnership in ensuring all Oregonians have access to the health care they need.

Sincerely,

A handwritten signature in blue ink that reads "Ron Wyden". The signature is written in a cursive, flowing style.

Ron Wyden  
U.S. Senator