



February 5, 2024

[submitted electronically via: oregonlegislature.gov]

The Honorable Rob Noose  
Chair  
Oregon House Committee on Behavioral Health and Health Care  
900 Court St. NE  
H-472  
Salem, Oregon 97301

**Oregon House Bill 4149 – SUPPORT**

Dear Chair Noose and members of the House Committee on Behavioral Health and Health Care:

The American Pharmacists Association (APhA) supports [House Bill \(HB\) 4149](#) (Rep. Nathanson), which will protect Oregon patients' access to their medications and their trusted healthcare professional, the pharmacist. By preserving the crucial role of pharmacists in ensuring patients' access to their medications, we can ensure the people of Oregon receive the best possible healthcare.

APhA is the largest association of pharmacists in the United States advancing the entire pharmacy profession. APhA represents pharmacists in all practice settings, including community pharmacies, hospitals, long-term care facilities, specialty pharmacies, community health centers, physician offices, ambulatory clinics, managed care organizations, hospice settings, and government facilities. Our members strive to improve medication use, advance patient care, and enhance public health. In Oregon, with 9,006 licensed pharmacists, APhA represents pharmacists and students who practice in numerous settings and provide care to many of your constituents. As the voice of pharmacy, APhA leads the profession and equips members for their role as the medication expert in team-based, patient-centered care. APhA inspires, innovates, and creates opportunities for members and pharmacists worldwide to optimize medication use and health for all.

As a result of the predatory practices of pharmacy benefit managers (PBMs), patients' access to medications from their local pharmacist across the country has declined<sup>1</sup>, taxpayer dollars have been funneled into corporate profits<sup>2</sup>, and generationally owned community pharmacies have been driven out of business.<sup>3</sup>

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<sup>1</sup> Rose J, Krishnamoorth R. Why your neighborhood community pharmacy may close. *The Hill*. Available at <https://thehill.com/blogs/congress-blog/healthcare/530477-why-your-neighborhood-community-pharmacy-may-close>

<sup>2</sup>3 Axis Advisors. Analysis of PBM Spread Pricing in New York Medicaid Managed Care. Available at <http://www.ncpa.co/pdf/state-advoc/new-york-report.pdf>

<sup>3</sup> Callahan C. Mom-and-pop pharmacies struggle to hang on. *Times Union*. Available at <https://www.timesunion.com/hudsonvalley/news/article/Mom-and-pop-pharmacies-struggle-to-hang-on-16187714.php>

Recently, a study found that PBM tactics forced Oregon Medicaid to overpay \$1.9M on a single drug, where PBMs marked up the drug by 800 percent.<sup>4</sup> Appropriate government oversight is necessary to address the misaligned incentives in the PBM industry that prioritize profits over patients. HB4149 would address many of the underlying issues that result in harm to patients, Oregon taxpayers, and pharmacists by requiring PBM licensure by the Oregon Department of Consumer and Business Services and creating a system of guardrails with penalties for PBMs that are out of compliance. This system of state accountability is vital as PBMs are under similar investigations in other states for ignoring similar state legal requirements.<sup>5</sup>

Another important focus of HB4149 is on maintaining patient access to their lifesaving medications and preserving the pharmacist-patient relationship. This provision will prohibit PBM actions that have undermined the pharmacy business model and caused many pharmacies, especially those in racial and ethnic minority communities to close, exacerbating pharmacy deserts already disproportionately affecting these neighborhoods and contributing to health inequities. HB4149 also prohibits PBMs from discriminately under-reimbursing pharmacies dispensing medications through the 340B program, which increases low-income patients' access to their medications.

For these reasons, we support HB419 and respectfully request your “AYE” vote. If you have any questions or require additional information, please don’t hesitate to contact E. Michael Murphy, PharmD, MBA, APhA Advisor for State Government Affairs by email at [mmurphy@aphanet.org](mailto:mmurphy@aphanet.org).

Sincerely,



Michael Baxter  
Vice President, Federal and State Government Affairs

cc: Representative Christine Goodwin, Vice-Chair  
Representative Travis Nelson, Vice-Chair  
Representative Ben Bowman  
Representative Charlie Conrad  
Representative Maxine Dexter  
Representative Ed Diehl  
Representative Cyrus Javadi  
Representative Hai Pham  
Representative Thuy Tran  
Representative Dwayne Yunker

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<sup>4</sup> <https://oregonpharmacy.org/2022/10/27/oregon-report/>

<sup>5</sup> Independent Pharmacies Sue Major Pbm Over Illegal Price Discrimination And Below Cost Reimbursements. MR Cuker Law Firm, LLC. Available at <https://www.cukerlaw.com/independent-pharmacies-sue-major-pbm-over-illegal-price-discrimination-and-below-cost-reimbursements/>