



Feb. 19, 2024

House Rules Committee
Oregon State Legislative Assembly
900 Court Street NE
Salem, OR. 97301

Dear Chair Fahey and Members of the Committee:

We are writing today to express our support for the -2 amendment to HB 4028, which would help ensure eligible Oregonians can continue to access needed healthcare through the federal 340B Drug Pricing Program.

Section 340B of the federal Public Health Service Act requires pharmaceutical manufacturers participating in Medicaid to sell outpatient drugs at discounted prices to healthcare organizations that care for uninsured and low-income patients to help fund the care provided. These organizations include federal grantee organizations and several types of hospitals, including critical access hospitals, sole community hospitals, rural referral centers, and disproportionate share hospitals that serve low-income and indigent populations.

The program allows 340B-eligible provider organizations to stretch limited federal resources, and to enhance the sustainability of the health services they provide to the patients and communities they serve. Hospitals use 340B savings to provide free care for uninsured patients, to offer free vaccines, to provide services in mental health clinics, and to implement medication management and community health programs, among other meaningful services.

The -2 amendment to HB 4028 would prohibit drug manufacturers from restricting covered entities' access to the 340B program. Too often, drug manufacturers inappropriately disallow 340B-eligible providers from receiving the pricing discount when patients fill their prescriptions at certain pharmacy locations, thus removing healthcare funding from these safety net hospitals. The -2 amendment to HB 4028 would prohibit this practice in Oregon.

340B-eligible hospitals serve as safety nets for their communities. The 340B program allows eligible hospitals to utilize their limited resources to provide additional benefits and services. Hospitals eligible for 340B care for a significant share of the state's underserved populations, including children, people fighting cancer, rural patients, and people without the means to afford expensive medications.



For these reasons, we urge you to support the -2 amendment to HB 4028. We would be happy to answer any follow-up questions at your convenience.

Sincerely,

Alicia Beymer
Chief Administrative Officer
PeaceHealth Sacred Heart Medical Center
(541) 222-2004 | abeymer@peacehealth.org

Michael Lessard
Sys. Director, Pharmacy Supply Chain & 340B
System Support Center
(360) 729-1000 | mlessard@peacehealth.org