



## ALEX CUYLER

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Intergovernmental Relations Manager  
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DATE: February 20, 2024  
TO: House Committee on Rules  
FROM: Alex Cuyler, Lane County Intergovernmental Relations Manager  
RE: HB 4028, relating to health care

Chair Fahey, Vice Chair Helfrich, Vice Chair Kropf, and members of the Committee:

Lane County urges support for HB 4028. We have reviewed the dash 2 amendment and ask that you move that amendment into the measure and move the bill to the floor with a DO PASS recommendation.

Lane County operates 8 community health clinics under our Federally Qualified Health Center (FQHC) umbrella including school-based operations, behavioral health treatment, primary health care and dental services. Our most recently opened clinic is located in Cottage Grove.

The FQHC concept was created by Congress at the urging of President Lyndon Johnson to provide health services to underserved areas and populations across America. It continues to be a model that works by offering a way to sustain providers while making health care affordable. In addition to a federal indemnification program to avoid costly malpractice insurance, an enhanced reimbursement rate for Medicaid and Medicare, Congress also created the 340B Drug Pricing Program to purchase outpatient medications at significantly reduced prices. It also mandated that health center invest every penny of 340B savings in activities that expand access for their patients.

Industry imposed restrictions began in late 2020, and as a result, our FQHC has experienced a year-over-year decrease in revenue that is not offset by other sources. From 2022 to 2023 alone, we incurred a revenue loss of \$1,242,220.00 due to manufacturer restrictions on just 10 drugs within the 340B program.

This loss of revenue significantly impacts our ability to support the most vulnerable patients in our community. Our FQHC upholds the integrity of our 340B program through rigorous audit practices, ensuring that only eligible patients defined by the 340B program have access to medications. A reduction in revenue from the 340B program places an additional burden on our capacity to provide services and life-saving medications to our patients at reduced costs.

These ongoing restrictions also limit our patients' choice of where to fill their prescriptions and restrict our physicians' prescribing options as they strive to make the best decisions for patient care. The restrictions introduce additional layers of administrative complexity. In a county as expansive as Lane, patients outside the metro area of Eugene/Springfield may be required to travel into the metro area to obtain their medications, further burdening our already vulnerable patients. Additionally, restrictions on 340B drugs may necessitate multiple trips for patients, as our FQHC and pharmacies must collaborate to resolve any pricing restrictions on prescribed drugs.

ELECTRONICALLY SUBMITTED BY ALEX CUYLER