

Representative Rob Nosse Chair, House Committee on Behavioral Health and Health Care 900 Court Street NE Salem, OR 97301

Chair Nosse and Members of the House Committee on Behavioral Health and Health Care:

I am writing to express our support for HB 3212, legislation to provide much needed reforms to the rules governing pharmacy benefit managers (PBMs) and prescription drug coverage in Oregon. At Fred Meyer, we are deeply invested in the well-being of our patients, and we believe this bill represents a crucial step towards safeguarding patient rights and improving access to quality healthcare services.

HB 3212 contains several key provisions we find particularly commendable and aligned with our values:

- 1. **Freedom of Patient Choice:** HB 3212 ensures that patients have the freedom to choose their pharmacy without undue influence from PBMs. By requiring health insurance policies to permit policyholders to select the pharmacy of their choice, and also requiring open networks, this bill empowers patients to make informed decisions about their healthcare providers.
- 2. Ending Objectionable PBM Practices: HB 3212 aims to address a range of objectionable PBM practices. By prohibiting PBMs from engaging in spread pricing, and barring PBMs from being able to steer patients to their own PBM-controlled pharmacies, this bill seeks to promote fairness and transparency in the pharmacy industry. Additionally, by clarifying that "contract" does not refer to the pharmacy manual that is often provided after a contract is finalized, PBMs will not be allowed to change the terms of a contract after it's already been negotiated (an unfortunately common practice for many PBMs).
- 3. Fair Reimbursement for Pharmacies: We applaud HB 3212 for its provisions aimed at ensuring fair reimbursement and dispensing fees paid to pharmacies by PBMs. By requiring reimbursement at an objective and transparent standard, and providing pharmacies with meaningful appeal procedures, this bill seeks to address the inequities inherent in current reimbursement practices.

In conclusion, we believe that HB 3212 represents a significant opportunity to advance patient rights, improve healthcare outcomes, and promote fairness in the pharmacy industry. We strongly support this important piece of legislation for the benefit of all Oregon residents, and encourage all members of the Oregon Legislature to do the same. Thank you for considering our perspective, and please do not hesitate to contact us if you require any further information or clarification.

Sincerely,

Kayla Hensley, PharmD Fred Meyer Division Health Leader