

Date:	February 6th, 2025
To:	Chair Nosse, Vice Chairs Nelson and Javadi, and Members of the House Committee on Health Care
From:	Association of Oregon Counties Legislative Affairs Manager, Justin Low
Subject:	Oppose – HB 3212

Thank you for the opportunity to submit written testimony in opposition of HB 3212, as currently written. For the record, my name is Justin Low, and I am a Legislative Affairs Manager offering testimony on behalf of the Association of Oregon Counties (AOC).

The Association of Oregon Counties (AOC) is a non-partisan member organization that advocates on issues that unite all county governing bodies and have an impact on county functions, governance, budgets, and services.

AOC's oppositional testimony is solely aimed at the portion of the bill which mandates that pharmacy benefit managers (PBMs) pay network pharmacies a dispensing fee. While we recognize and appreciate the intent to support local pharmacies, this legislation will have unintended and negative financial consequences for county governments and the communities we serve.

As fiscal stewards of tax-payer funded budgets, counties must be mindful of policies that increase operational costs. The proposed legislation will inevitably lead to increased costs for PBMs, which will, in turn, be passed down to insurers. As a result, counties—as large public employers that provide health insurance to our employees—would face higher insurance premiums. These additional costs come at a time when counties are already struggling to meet existing financial obligations due to inflation and the constitutional constraints of Oregon's property tax system.

We urge the Legislature to carefully consider the financial implications that HB 3212's dispensing fee requirement would have on local government budgets. Our communities need sustainable solutions that balance support for local pharmacies with fiscal responsibility. Thank you for your time and consideration.

Sincerely,

Justin Low
Legislative Affairs Manager