



Senate Committee on Health Care
February 27, 2025
RE: Support for Senate Bill 533

Chair Patterson, Vice Chair Hayden and members of the Senate Committee on Health Care,

My name is Dr. Andrew Mendenhall, and I am the President and Chief Executive Officer at Central City Concern (CCC), a Federally Qualified Health Center (FQHC) located in the Portland metro region. In 2023, CCC helped 15,595 people experiencing or at risk of homelessness with affordable and supportive housing, integrated health services, addiction recovery and employment assistance. These services are made available in part by the savings generated through the 340B program. The 340B program allows us to buy medications at a deep discount so that we can provide access to medications for patients who would not otherwise be able to afford them. We also use the savings in accordance with federal law to expand services for our community. However, we have lost access to much of those savings due to the practices of drug manufacturers.

In May 2020, Eli Lilly announced that FQHCs must choose **a single contract pharmacy** where patients can access affordable lifesaving medication, undermining the program and putting vulnerable communities at risk. Since 2020, **twenty-three additional drug manufacturers** have restricted FQHCs to one or two contract pharmacies to work with to receive discounts on 340B drugs. These actions force patients to travel across town or across an entire county to access affordable lifesaving medication. **When essential medications are not accessible and affordable, patients suffer.**

Since 1992, the 340B Drug Pricing program has helped patients access affordable medications by allowing eligible providers to contract with an unlimited number of pharmacy partners. Contract pharmacy arrangements are an essential part of the program. 340B providers like CCC, who by definition treat a disproportionate share of low-income patients, contract with community pharmacies. These contractual arrangements allow patients to pick up prescription medication from their local community pharmacy without a return visit to the clinic, which can be time-consuming, especially for patients in rural areas. The arrangement eases patient access, improving medication adherence and health outcomes.

Senate Bill 533 will prevent pharmaceutical manufacturers from imposing restrictions on the number of contract pharmacies where FQHC patients can receive discounted 340B medications. This bill will protect medication access and health center services for all Oregonians. As such, we respectfully request your support for Senate Bill 533.

Sincerely,



**CENTRAL CITY
CONCERN**

HOMES HEALTH JOBS

Dr. Andrew Mendenhall, MD, DABFM, DABPM, FASAM
President and CEO, Central City Concern