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Senate Committee on Health Care
February 24, 2025
RE: Support for Senate Bill 533

General 541-535-6239
Medical Scheduling 541-618-1300
Dental Scheduling 541-512-3900
Fax 541-535-4377

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

My name is Brenda Johnson, and I am the Chief Executive Officer of La Clinica, a Federally Qualified Health Center (FQHC) serving Jackson County. We provide comprehensive medical, dental, behavioral health, and pediatric services across 31 locations in our service area. In 2024, we served 29,268 patients through 121,429 visits.

La Clinica also offers in-house pharmacy services at two of our health centers, with plans to open a third in 2025. These vital services are partially funded by savings from the 340B program, which allows us to purchase medications at a significant discount. This enables us to offer affordable medications to patients who would otherwise be unable to afford them.

Additionally, we utilize these savings, as required by federal law, to expand services for our community. Unfortunately, recent practices by drug manufacturers have severely limited our access to these savings, impacting on our ability to continue providing the care our patients rely on.

In May 2020, Eli Lilly announced that Federally Qualified Health Centers (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 La Clinica, 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,


Brenda Johnson