

Submitter: Sean Murray
On Behalf Of: Murray's Boardman Pharmacy
Committee: Senate Committee On Finance and Revenue
Measure, Appointment or Topic: SB707

I'm writing in support of SB707 so that our pharmacies can survive. Pharmacy is a very low margin business that deals with very large prices on brand name medications. There's currently a system that artificially inflates the list prices of many medications. This is to allow pharmacy middlemen (between plans and pharmacies) to practice spread pricing. This is so that these entities, PBM (pharmacy benefit managers) can keep the difference between what they report to the health plan that the medication cost and the predatory reimbursement rates that pharmacies are paid for filling that medication. Very frequently, these rates are below the net prices that pharmacies pay for them. If you add a gross percentage tax on top of that, pharmacy in Oregon may well be unsustainable. Pharmacy is essential service where even the slightest interruption in care can cause unbelievably bad health problems. As pharmacies, we are already facing near extinction, with record numbers of closures happening each year. Adding more pressure to that would be in no one's best interests.