

March 6, 2025

The Honorable Deb Patterson
Senate Committee on Health Care
Oregon State Legislature
900 Court St NE
Salem, OR 97301

RE: Opposition to Senate Bill 533

Chair Patterson,

On behalf of Oregon Oncology Specialists, we appreciate the opportunity to provide comments regarding Senate Bill 533. As a dedicated provider of comprehensive, community-based cancer care in Oregon, we are deeply committed to ensuring that every patient has access to high-quality, affordable oncology services close to home. It is with this commitment in mind that we must express strong opposition to SB 533.

Independent cancer practices like ours put patients first, providing communities across the state with the ability to seek treatment close to home at lower costs for both patients and payers, without the added expenses commonly found at larger health systems. Preserving the viability of independent oncology practices is essential to maintaining competition, lowering costs, and ensuring equitable access to high-quality treatment across the state.

While we strongly support the original intent of the 340B Drug Pricing Program, in recent years the program has gone off the rails, used for financial gain and leveraged to support anti-competitive business practices.ⁱ Instead of ensuring cost savings reach patients who need them most, a number of large health systems engaged in the program and Pharmacy Benefit Managers (PBMs) have used its status to maximize profits, leading to higher costs, reduced transparency, and restricted patient access to independent oncology providers. The program is in desperate need of federal reform to restore its intended purpose and prevent further consolidation that harms patient access and care.

Unfortunately, in our view, SB 533 threatens the state's existing cancer care infrastructure by sanctioning consolidation, allowing for reduced patient choice, and encouraging increased healthcare costs. The specific provisions concerning contract pharmacies risk enabling PBMs and large health systems to further exploit the program, reinforcing anti-competitive behaviors that limit patient options. Recent studies have shown that PBMs benefit greatly from these arrangements and account for 69% of all contract pharmacies in the program.ⁱⁱ As you may be aware, PBMs routinely steer patients toward their affiliated pharmacies, creating significant barriers for independent pharmacies and independent oncology practices to operate sustainably.

If enacted, SB 533 would:

- Increase healthcare costs for patients and payers by further driving care into expensive hospital settings

- Reduce patient access to independent oncology providers, limiting choice and forcing many to travel farther for essential care
- Accelerate the consolidation of cancer care, leading to fewer treatment options and diminishing the ability of community-based providers to compete fairly

Rather than advancing legislation that would exacerbate these challenges, we urge the Committee to explore policies that will aid us in providing patient-centered, affordable cancer care in Oregon, by prioritizing patient care over consolidated networks.

Thank you for your time and consideration. For a more in-depth look at this policy issue, we encourage you to review the Community Oncology Alliance (COA) [position statement on the 340B Drug Pricing Program](#). We welcome the opportunity to further discuss the implications of SB 533 and explore solutions that uphold the best interests of Oregon's cancer patients. Please do not hesitate to reach out if we can be of assistance in this important matter.

Sincerely,

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ⁱ <https://mycoa.communityoncology.org/education-publications/comment-letters/coa-comments-on-bipartisan-senate-340b-rfi/>

ⁱⁱ <https://avalere.com/insights/pbm-mail-order-and-specialty-pharmacy-involvement-in-340b>