

March 6, 2025

Sen. Deb Patterson, Chair Sen. Cedric Hayden, Vice-Chair Senate Committee on Health Care Oregon State Capitol 900 Court St., NE Salem, OR 97301

RE: Oppose SB 533

Dear Chair Paterson, Vice-Chair Hayden and members of the Committee,

I'm Mark Jackson. I'm the Chief Operating Officer of Bridge Pamoja, a network of Black faith leaders and culturally specific organizations and leaders who serve Africans and African-Americans in the Portland area.

Thank you for the opportunity to testify today in opposition to SB 533.

As you know, the 340B program was created as a discount drug program to help vulnerable patients gain better access to medicines at hospitals and clinics treating a safety-net population. While, the vision and initial goal of the program was commendable and quite promising, I don't think the intended outcome is what we all envisioned. I'm especially concerned that the program no longer benefits those it was designed to help.

Participation in the 340B program has grown significantly since the program's inception in 1992. Consolidation in the health care space has increased since the creation of 340B. Vertically integrated companies that include a hospital, health plan, a pharmacy benefit manager and a contract pharmacy are profiting from 340B, but there is **no clear evidence 340B discounts are being passed to patients**.

The impact on communities of color and **socioeconomically disadvantaged** communities is especially striking. 340B hospitals and contract pharmacies are expanding to more affluent communities and not helping patients it was designed to serve. 340B hospitals buy up practices in wealthier areas to generate profit. According to a <u>Jama Health Forum study</u>, growth of 340B contract pharmacies is concentrated in "affluent and predominantly white neighborhoods" while declining in "socioeconomically disadvantaged and primarily non-Hispanic Black and Hispanic/Latino neighborhoods."

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A 2022 <u>investigative piece by the New York Times</u> explores the 340B program and how it hurts access to health care by eliminating basic medical services especially in poor and underserved areas.

If the goal of 340B is to ensure access and reduce healthcare costs, seeing a segment of the healthcare system manipulating this opportunity for profit and not passing those savings on to the patients is alarming and concerning, given the challenges related to health equity and access.

It's unsettling that the significant amount of profit and intentionality around practices that enable some 340B entities to acquire more revenue isn't also articulated in terms of patient care.

I hope you will consider the unintended consequences of the 340B program. I urge you to **not** move SB 533 out of committee. Thank you for listening to my concerns.

Sincerely, Mark Jackson Chief Operating Officer Bridge Pamoja

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