

Oregon Legislative Assembly Senate Committee on Health Care 900 Court St. NE Salem Oregon 97301

May 6, 2025

Re: Opposition to HB 2385

Dear Committee Members,

On behalf of the Infusion Access Foundation, I am writing to express our concerns regarding HB 2385 and its potential impact on patient access to critical infusion therapies in Oregon ahead of the 5/6 Senate Committee on Health Care hearing. While we appreciate the legislature's commitment to addressing healthcare access and affordability, we urge careful consideration of expanding the 340B Drug Pricing Program and urge you to vote *NO* on the bill.

The 340B Drug Pricing Program was originally created to improve medication affordability for underserved patients by allowing eligible healthcare entities to purchase drugs at a discount. However, the program has deviated significantly from its intended purpose. Instead of ensuring that savings benefit patients, large tax-exempt hospitals, private equity-backed organizations, and contract pharmacies have exploited regulatory loopholes to generate substantial profits, often at the expense of the very patients the program was designed to help.

Studies show that only 35% of 340B hospitals and 23% of 340B contract pharmacies are actually located in medically underserved areas. Meanwhile, profit margins for 340B contract pharmacies are 3.3 times higher than independent pharmacies, and drug price markups at 340B hospitals are 6.6 times higher than at independent clinics. These discrepancies indicate a failure to reinvest savings into patient care, leaving many vulnerable populations struggling with high out-of-pocket costs and limited access to affordable treatment.¹

To ensure that the 340B program serves its original mission, reforms must prioritize transparency, accountability, and equity, including requiring 340B entities to demonstrate how program savings directly benefit underserved patients. Expanding or modifying the 340B program without addressing these fundamental issues risks exacerbating inefficiencies and worsening healthcare disparities.

We strongly encourage Oregon lawmakers to take a balanced approach to HB 2385, one

¹ AIR340B, Overview: https://340breform.org/overview/



that avoids expanding the 340B program in its current state and ensures that any cost-containment measures do not inadvertently reduce access to essential infusion therapies. The Infusion Access Foundation stands ready to collaborate with policymakers to develop solutions that improve affordability without sacrificing patient access.

We must ensure that the 340B program is working as intended to promote access to care and health equity in Oregon, and I encourage you to vote NO on HB 2385 to stand with patients across the state.

Thank you for your time and consideration. If you have any questions or would like to discuss these concerns further, please do not hesitate to reach out.

Sincerely,

Alicia Barron, LGSW Executive Director

Infusion Access Foundation