



COMMUNITY ONCOLOGY ALLIANCE

Dedicated to Advocating for Community Oncology Patients and Practices

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May 6, 2025

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

RE: Opposition to House Bill 2385, Concerning Contract Pharmacies

Chair Patterson,

On behalf of the Community Oncology Alliance (COA) and the independent community oncology practices we represent across Oregon, I write to express our strong opposition to House Bill 2385.

My name is Dr. Mark Thompson, and I serve as Medical Director of Public Policy for COA, the only national nonprofit organization solely dedicated to independent community oncology practices, which deliver the majority of cancer care to patients in the United States.

HB 2385 proposes to expand the use of contract pharmacies under the federal 340B Drug Pricing Program without addressing the long-standing lack of oversight, transparency, or accountability that has enabled widespread misuse of the program.

As written, this legislation would deepen the influence of for-profit entities, particularly large hospitals and pharmacy benefit managers (PBMs), in Oregon's drug distribution system, without ensuring that 340B savings are passed on to the vulnerable patients the program was intended to serve.

We remain particularly concerned about the following issues:

- Hospitals and contract pharmacies, many of which are tied to PBMs, now dominate 340B drug purchasing, despite having no requirement to pass program savings on to patients.
- PBMs leverage these arrangements to steer prescriptions toward affiliated pharmacies, increasing costs and reducing provider competition.
- Independent community oncology practices, especially in rural and underserved communities, are increasingly unable to compete as large hospital systems use 340B revenue to aggressively expand and pressure providers into acquisition, consequently accelerating consolidation and the erosion of community-based cancer care.

- Data shows that the shift of cancer care from independent community oncology practices to hospital outpatient departments has driven up costs, with no evidence of improved clinical outcomes, placing unnecessary financial burden on patients and payers alike.

Rather than benefiting vulnerable populations, HB 2385 would entrench the very intermediaries that have contributed to higher healthcare costs, limited access to care, and the erosion of community-based independent care close to home.

We urge the committee to reject HB 2385 and instead support comprehensive 340B reform at the federal level, where structural improvements can ensure the program benefits patients, not institutions.

For a more in-depth analysis of the 340B program and its impact on community oncology, we encourage review of COA's [340B position statement](#). If we can be of assistance on this or related matters, please contact James Lee, COA Director of State Regulation and Policy, at jlee@coacancer.org.

Sincerely,

Dr. Mark Thompson

Medical Director of Public Policy

Community Oncology Alliance (COA)