

## PRESS RELEASE OREGON HOUSE DEMOCRATS

For Immediate Release April 16, 2019 <u>For More Information, Contact:</u> Aaron Fiedler: 503-986-1904 aaron.fiedler@oregonlegislature.gov

## Legislation to Regulate Middlemen Driving Up the Cost of Prescription Drugs Passes House

Bill institutes changes for Pharmacy Benefit Managers, protects local pharmacies

SALEM – Legislation to regulate the middlemen driving up the cost of prescription drug prices has passed the Oregon House of Representatives. <u>House Bill 2185</u> institutes changes for 'Pharmacy Benefit Managers,' or PBMs, the corporations that administer nearly every pharmaceutical benefit program in the United States, and seeks to protect local pharmacies.

"There is mounting evidence colleagues that these PBMs are contributing to the explosive price growth of pharmaceuticals, which affect every Oregonian," said Rep. Rachel Prusak (D-West Linn) who carried the bill on the House floor. "As a health care practitioner, I have seen personally the real toll this takes on my patients who can least afford it. As a state legislator, I have heard from constituents about the need to ration medication or choose between essential everyday needs."

According to recent studies, <u>drug prices are rapidly outpacing inflation</u> – in some cases, 13 times the rate of inflation.

The legislation specifies that PBMs registered in the state are not allowed to prohibit a network pharmacy from offering delivery of prescription drugs by mail, common carrier, or by hand delivery by an employee or contractor of the pharmacy. Further, it prohibits them directly or indirectly restricting or penalizing a network pharmacy from letting a customer know the difference between their out-of-pocket cost to purchase a prescription drug and the pharmacy's retail price for the drug.

This codifies newly passed federal legislation in state law to ensure Oregonians get the best price at the counter for their medication.

"This is, without question, a national issue," said Rep. Rob Nosse (D-Portland). "However, that does not mean that we should do nothing. We can to tackle this issue. This legislation is a positive step in the right direction to holding PBMs accountable, and working toward affordable prescription drug prices."

This legislation furthers Oregon House Democrats' commitment that every Oregonian has access to quality, affordable health care and lower prescription drug prices.

The legislation, which passed the House unanimously, goes to the Oregon Senate for consideration.