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Oregon Senate Improves Oversight of Pharmaceutical Companies to Improve Access to Necessary Medication

SALEM – The Oregon Senate passed Senate Bill 763 today to promote fairness in pharmaceutical pricing and create a licensure structure for pharmaceutical representatives within the Department of Consumer and Business Services (DCBS).

“Bad-acting pharmaceutical companies have used their powerful positions to prey on smaller companies for far too long,” said Senator Deb Patterson (D-Salem). “They have taken advantage of our lack of regulation, which has devastating impacts on Oregonians who are struggling to pay for medication.”

From 1997 through 2016, total annual spending on the marketing of prescription drugs, disease awareness campaigns, health services, and laboratory testing increased from \$17.7 billion to \$29.9 billion. Marketing to medical professionals accounted for the highest proportion of spending, increasing from \$15.6 billion in 1997 to \$20.3 billion in 2016.¹

“While Oregon seniors and families make difficult decisions to afford their medication, sales representatives freely push high-cost name-brand medications directly to doctors and other health care professionals. This marketing practice contributes to writing more prescriptions for well-marketed medications rather than more affordable versions of similar pharmaceuticals, contributing to financial strain faced by those who depend on them,” added Senator Patterson.

Senate Bill 763 specifies that a person may not act as a pharmaceutical representative without a license. The bill also defines businesses that may interact with health care providers with the purpose of marketing pharmaceuticals, among other provisions, to ensure the efficacy of the pharmaceutical products recommended to health care professionals.

“Senate Bill 763 is a commonsense way to rein in a problematic tactic that keeps prescription drug costs high, making closed door meetings transparent to Oregon consumers and ensuring ethical practices,” said Senator Patterson.

The Oregon Senate passed Senate Bill 763 on a vote of 19-9. The bill now goes to the House of Representatives for consideration.

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1. Medical Marketing in the United States, 1997-2016. JAMA, 2019.