Co-chairs Girod and Kotek and members of the Joint Committee on Capital Construction,

On the face of it, a general obligation bond for OHSU's Knight Cancer Institute seems to be a nobrainer. A down payment to match (and not a penny less) Phil Knight's \$.5 Billion generous gesture. Win the war on cancer. Good paying jobs.

But conservatives rightly question the strings attached. http://oregonbusinessreport.com/2013/12/the-strings-behind-phil-knights-500m-gift/

As a retired endocrinologist who finished 3 years of sub-specialty training at OHSU in the early 1990s, I know it was hard to compete for NIH funding then. It is harder now since the federal government has been too busy bailing out banks, paying for wars and giving tax breaks to the richest individuals and corporations.

Dedicating \$200M of taxpayer dollars does not make sense if there is no return on investment for the public. Even Dr. Druker knows that access to his life-saving drugs is deeply flawed. Last year, he was one of over 100 oncologists who signed onto an Op-Ed in the journal *Blood*, a professional journal from the American Society of Hematology, published a guest opinion written by <u>Dr. Hagop Kantarjian</u>. Dr. Kantarajian, an oncologist at M.D. Anderson Cancer Center in Houston, demonstrated how PhRMA gouges the consumer when it comes to treating chronic myeloid leukemia. Kantarijian wrote:

"Pricing of cancer and other drugs involves complex societal and political issues which demand immediate attention, and which will need to consider many factors and involve many constituencies: FDA and governmental regulators; changes in legislation; patent laws; multitudes of regulatory agencies in the US and internationally; offices of human research protection (OHRP); impediments by lawyers and contract research organizations (CROs) which increase the cost of clinical research; patient advocacy groups; excessive regulation and bureaucracy; profits of physicians and hospitals/pharmacies; insurance companies; pharmaceutical companies; etc...We propose to begin the dialogue by organizing regular meetings, involving all parties concerned, to address the reasons behind high cancer drug prices and offer solutions to reduce them."

Gleevec's blockbuster success tripled the \$30,000 per year price (when it was released in 2001) to \$92,000 in 2012. Grateful patients become "financial victims" of treatment success.

In the next two years while fund raising, OHSU has an opportunity to create a new paradigm--one that not only devotes resources to earlier diagnosis and better treatments, but one that challenges how this intellectual property benefits the public.

Until then, OHSU and Phil Knight should be on their own in this fund-raising venture.

Respectfully, *Kris Alman* MD 503-293-0745