



PHARMACEUTICAL CARE MANAGEMENT ASSOCIATION

April 2, 2015

The Honorable Mitch Greenlick
House Health Care Committee
Oregon State Capitol
900 Court Street NE
Salem, OR 97301

Re: Opposition to House Bill 2875

Dear Chair Greenlick:

The Pharmaceutical Care Management Association (PCMA) is writing the following letter to express our opposition to H.B. 2875 because this legislation is premature and unnecessary. PCMA is the national association representing America's pharmacy benefit managers (PBMs), which administer prescription drug plans for more than 216 million Americans with health coverage provided through Fortune 500 employers, health insurance plans, labor unions, and Medicare Part D.

In 2012, a large stakeholder group convened to discuss issues related to the registration of PBMs, pharmacy audits, and maximum allow cost (reimbursement for the dispensing of generic drugs). These stakeholders included local pharmacists, chain drug stores, health plans, the PBMs, etc. After a significant amount of workgroup meetings that started in 2012 and continued throughout the 2013 session, a compromise was finally reached with all parties involved signing off on the law that was enacted.

- ORS Sections 735.530 to 735.552 related to "Pharmacy Benefit Managers" didn't actually go into effect until January 1, 2014. Therefore, this law has been largely in effect for only a little over a year.
- Additionally, parts of the legislation didn't go into effect until January 1, 2015 -- **thus only operative for 12 weeks or so.**
- This is not nearly enough time to warrant a study on the effectiveness of the law.
- There has been no real evidence that PBMs have not been in compliance with the law, and no justifiable reason for the study.
- Further, the Department of Consumer and Business Services already has the authority and right to enforce the legislation and to conduct rulemaking.

This sets a bad precedent for any recently enacted legislation with the immediate re-visiting of laws that have barely been in effect. It is a wasteful use of the Department's resources and time. For these reasons, PCMA opposes H.B. 2875. Please let us know if we can provide any additional information. Thank you for your consideration.

Sincerely,

Jessica S. Mazer, Esq.
Assistant Vice President, State Affairs

c: Members of the House Health Care Committee