



TO: Joint Interim Task Force for the Fair Pricing of Prescription Drugs
FR: Oregonians for Affordable Drug Prices Now
DA: June 21, 2018

Thank you for the work you are doing to bring fair pricing to prescription drugs in Oregon. Our coalition endorsed HB 4005. We believe that transparency is an essential component of lowering what manufacturers charge for medications. At the same time, transparency alone will not lower drug prices. We must take further action to stop the double digit increases manufacturers charge because the health and lives of Oregon consumers depend on it.

Here is one example why: Just last month it was reported that drug manufacturer Bayer increased the cost of two essential cancer medications by more than \$1,000 per month. *That's \$1,000 per month.*

The price for patients depending on Bayer's Nexavar for kidney, liver, and thyroid cancer is now \$18,670 per month. The price for patients depending on Bayer's Stivarga for treatment of colorectal, gastrointestinal and liver cancer is now \$16,860 per month. These increases raise the prices to 13% above what they were last year.

These price increases on these two drugs at the same time are particularly egregious because last year the FDA dramatically increased the number of people who will be using Bayer's cancer treatments by approving Stivarga for treatment of liver cancer. Prior to Stivarga's approval, people had access only to Nexavar.

In the perverse market principles that drug manufacturers invoke, this expanded customer base increased – not decreased – the cost of both of these drugs that have been available for years.

These price increases happened in spite of the fact that, under HB 4005, Bayer will be required to report justification for the increases to DCBS. Transparency is an important first step, but it isn't enough to protect us from price gouging. That is why Oregonians for Affordable Drug Prices Now is asking the Task Force to go beyond transparency, to look at work being done by other states to set true fair pricing policies on manufacturers, and to include those successful policies in your recommendations.

Our coalition is appreciative of the task force members dedicating their time and expertise to address the rising cost of life-saving drugs for patients and hope to be a valuable partner as you all work on your recommendations.

We support holding drug companies accountable for price-gouging on life saving medications.

