



Testimony in support of HB 4005

Chair Greenlick, Co-Chairs, and Members of the Committee, I am Charlie Swanson, testifying in support of HB 4005 and drug pricing transparency on behalf of Health Care for All Oregon-Action. HCAO-Action is working for an equitable, affordable, comprehensive, high quality universal health care system serving everyone in Oregon. Drug pricing transparency will help Oregonians figure out ways to make prescription drugs, an important driver of rapidly increasing health care costs, more affordable.

HB 4005 will help us answer a number of questions, among them:

Why do patients in other industrialized countries pay 50% less than Americans for identical medications?

How much of the price of a drug comes from research and how much comes from marketing?

HB 4005 will help explain why insulin has increased 300% over the last 10 years. My granddaughter has Type I diabetes, and she would die in a fairly short time without insulin. Fortunately, she is covered by good insurance paid for by the family company run by my in-laws. But people deserve to know why this life-saving drug has increased in price so rapidly, which is part of what is driving increasing health care costs for businesses, individuals, and society.

A little history of the development of insulin is instructive. The major advances and research were done in the early 1920's by Frederick Banting, Charles Best, John McLeod, and Bertram Collip in Toronto. Banting and MacLeod were awarded the 1923 Nobel Prize in Physiology or Medicine. They felt Best and Collip were equally deserving, and shared their prize money with their two colleagues. They patented their drug, and saying that profit was not their goal, they sold the patent for insulin to the University of Toronto for \$1 each. The University then gave pharmaceutical companies the right to manufacture the drug royalty-free.

It is ironic that a drug which had such a good start in Canada is now subject to such huge recent price increases in the U.S. It would be good to find out why, and HB 4005 can help with this.

Governments across the U.S., including in Oregon, are facing a question about what to do regarding the opioid epidemic. Nalaxone, which is essential in fighting this epidemic, has increased 552% in the past three years. Why?

If the rise in pharmaceutical prices is necessary to continue funding the research and development that has led to recent drug advances, HB 4005 will give the Pharmaceutical industry a platform to make this case openly and publicly, with real data. They will be able to quell the growing anger among the public by showing how much of the increased revenue is going into vital research and development. The industry should welcome the opportunity – if indeed this is the case.

If we are to have a functioning market in prescription drugs, pricing transparency is necessary. If public money is going to be used for purchasing drugs, pricing transparency is necessary. To allow Oregonians to get a handle on how to deal with rapidly rising drug prices, pricing transparency is necessary.

Thank you for the opportunity to speak in support of HB 4005, on behalf of myself, my granddaughter, and Health Care for All Oregon-Action.