

January 30, 2019

Senator Laurie Monnes Anderson, Chair

Senate Committee on Health Care
Oregon State Legislature

Re: SB 409

OSPIRG (the Oregon State Public Interest Research Group) supports SB 409, authorizing the creation of a program to safely and legally import prescription drugs from Canada with the objective of cost savings to Oregonians while upholding safety standards. As a consumer advocacy organization with 30,000 members and supporters throughout the state, we've seen firsthand the impact of rising drug costs on consumers. We urge the Committee to make this legislation, and the issue of rising drug costs, a top priority this Session.

The high cost of prescription drugs has been a perennial concern for Oregon consumers, but in recent years, it has become the #1 health care issue we hear about from our members, and polls consistently show rising drug costs to be of great concern for all Oregonians and all Americans, across the political spectrum and across all demographics. This new urgency can likely be attributed to the combination of new crop of life-changing but extraordinarily expensive specialty drugs that have come on the market in recent years and headline-grabbing price hikes for older medications that had previously been available at reasonable prices.

Last year, we supported the passage of HB 4005, requiring prescription drug companies to report dramatic price increases, and to explain the where all the money is going when prices go up. HB 4005 passed both houses of the legislature with supermajority support, reflecting the urgency or the problem of high drug prices and its impact on Oregonians of all political stripes. However, we expressly noted at the time that 4005 was on a step in the right direction, and that it was unlikely to be enough to alleviate the burden of skyrocketing drug costs for Oregonians.

It's no secret that many individual consumers import prescription drugs for personal use, even though this is technically illegal. Some local governments have been known to engage in limited importation to supply employee benefits. This shouldn't be surprising when the price for frequently prescribed drugs can be 33 to 80 percent less in Canada than the price in the United States.

Unlike individual importation, the wholesale program contemplated by SB 409 comports with existing Federal law and will have protections in place to guarantee the safety of consumers. Canada has a rigorous regulatory system to license prescription drugs that is considered to be on par with the U.S. approval system. Furthermore, regulated importation allows for oversight of

imported prescriptions that is not possible when consumers independently turn to online pharmacies to try and avoid the burden of drug prices in the U.S.

Oregon consumers are counting on you to build on the foundation established by HB 4005 and take further, concrete action on rising prescription drug costs. We urge you to support SB 409 and to make this issue a top priority for the 2019 Legislative Session.

Thank you for your time and consideration.

Respectfully Submitted,



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Health Care Advocate
OSPIRG