



June 10, 2019

Co-Chairs Beyer and Nosse, Members of the Committee,

Cambia was one of the group of early advocates supporting HB 4005 in 2018. We believed the bill would be a good first step towards making drug pricing more transparent.

We supported the reporting requirements in HB 4005 for drug manufacturers and insurers because we thought it would allow for the state to have some comparable data year over year in the world of pharmaceutical spending.

We also participated in the 6-month long rule making process to iron out the method in which the reporting should come to the state and submitted our first report in March of this year. As is the case with many first-time reports, ours was not exactly like DCBS wanted and so we resubmitted a new report last week. We hoped the revised report would be something DCBS could use moving forward.

I'm providing this detail to demonstrate what many of you already know. It takes time to implement any new law no matter how simple it appears at first. Changing the law and the process would disrupt the work already completed and create further uncertainty.

That is why Cambia opposes SB 872. Our concerns about the bill stem primarily from the administrative complexity associated with the bill. Having to start the rule making all over and address possible legal concerns will increase the risk of failure for Oregon's drug transparency efforts.

I do want to acknowledge that some of our original comments submitted for the hearing back in March have been addressed in the most recent amendments that came out last week, but we were surprised to see that the reporting requirements from HB 4005 have been changed. We believe some of the requirements could go as far as requiring us to disclose drug by drug contract information which we believe would result in a possible legal challenge. We are also very concerned that the "cash price application" language could have some unintended negative consequences. We believe the language should be improved to avoid the gaming of the system.

Sincerely,
Vince Porter
Director of Government Affairs