



February 22, 2023

Delivered orally

Chair Patterson, Vice-Chair Hayden, and committee members:

Interim Chief Executive Officer
Emily Gilliland

My name is Jonathan Frochtzvaj; I'm the Public Policy Manager for Cascade AIDS Project, or CAP. Founded in 1985 as a grassroots response to the AIDS crisis, CAP is now the largest provider of HIV services in Oregon. In addition, we operate Prism Health, a safety-net clinic providing LGBTQ+ affirming healthcare.

Board of Directors

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I am testifying to request that Section 3 of Senate Bill 404-1—the section related to patient advocacy organizations—be amended. The version of Section 3 in the -1 amendment is *far* too broad, so we were pleased to learn that the Prescription Drug Affordability Board has requested edits to narrow it. However, even the narrower language we have seen leaves many questions unanswered. For example:

Vice President
Kris Young
Nike

Secretary
William E. Spigner
Nike

- What portion of an organization's resources have to be spent on advocating for patient access to drugs for the organization to be defined as a patient advocacy organization, and therefore subject to reporting? CAP, for example, advocates for patient access, but our advocacy budget is less than 1% of our organization budget. Also, what portion of an organization's advocacy has to be focused on patient access to drugs? Would organizations that advocate for consumers and workers, including but not limited to their access to drugs, be subject to reporting?
- Separately, would donations that are legally restricted for a purpose other than advocacy have to be counted under this section? CAP receives grants from manufacturers, insurers, and coordinated care organizations for our many health and housing programs, but we can't use those funds for advocacy and the funder can't receive any benefits for them.
- Finally, the definition of "pharmaceutical supply chain" in the proposed SB 404 language includes health care professionals who charge patients for drugs they administer. Does this mean that organizations like CAP, which run a clinic, have to count payments from our patients as payments from the pharmaceutical supply chain? And, if we have to count *donations* from health care professionals, well, we have thousands of donors; how can we know which are health care professionals that meet this definition?

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Although CAP supports the rest of SB 404, and regulation to reduce prescription-drug costs in general, we believe that these many questions need to be answered before this legislation can advance. Thank you for listening.