

Chair Fahey, Vice-Chairs Helfrich and Kropf, Members of the Committee.

My name is Melissa Brewster, I am the Director of Pharmacy at Mosaic Community Health and I am here today in support of HB 4028 –2. Mosaic is a federally qualified health center providing comprehensive primary care, behavioral health, dental care, addiction treatment, and pharmacy services. We operate 16 clinics in Central Oregon that serve over 30,000 lives. Over 60% of our patients live just at or below the Federal Poverty Level. We serve primarily Medicaid and Medicare patients of all age ranges, from pediatrics to seniors.

At Mosaic, it is our mission to care for the underserved, regardless of whether our patients have the ability to pay for their care. We are able to do this through federal grants, and through the 340B program, which accounts for around 9% of our total budget.

We are mandated to take every dollar saved in the 340B program and give it back directly to our patients- this means that we are able to provide medications and healthcare at little to no cost to those who qualify.

Since 2020, we have seen pharmaceutical manufacturers make concerted efforts to erode the 340B program by opting out contract pharmacy arrangements. This means our clinic only is able to receive funding from the 340B program when patients visit our in-house pharmacy, meaning when our rural patients can't drive back to the clinic for every refill, we no longer

receive the revenue that may have been covering their co-pay. Instead, these dollars have contributed to PhRMA's recent record profits, which total over a \$1.3 trillion in 2022.

Pharma will tell you that the 340B program is being abused, that it lacks oversight, and dollars are not going to help patients with affordability. I am here to tell you that in Oregon, those assertions are patently false. Oregon has some of the strongest 340B oversight in the country, in fact, we are held up as a model for other states. Every prescription claim that uses 340B from contract pharmacies is submitted to the state quarterly to ensure there are no duplicate discounts. Every covered entity in the 340B program goes through extensive monthly and annual audits to ensure perfect compliance. And every dollar saved in the program is tracked and given back to patients directly.

Pharma will also tell you that some contract pharmacies are out of state. What they do not explain is that many patients are limited by insurance restrictions, mandating them to fill at out of state mail order or specialty pharmacies, hence the need to contract with out of state pharmacies.

Since the beginning of these contract pharmacy restrictions, Mosaic has lost over \$3.7 million in 340B savings, savings that goes directly towards affordable health care for our patients.

When we keep the 340B dollar, it meaningfully changes Oregonians' lives. We track and are able to show, *per federal requirements*, that these dollars fund free insulin and vaccines

for our seniors. Free covid treatments for those who are sick. Free medical care for the working poor and families who struggle every day. There are no such requirements for when Pharma has that dollar. We ask you to hold PHARMA accountable for their participation in 340B and to support us in providing healthy and thriving communities in Oregon. Thank you for your time.