

February 1, 2025

Dear Reader:

I am a community retail pharmacist serving the people of Corvallis, Oregon.

I am writing to express my strong support for House Bill 3212, which proposes essential reforms to the regulation of Pharmacy Benefit Managers (PBMs) in our state. I urge you to **vote "yes"** on this bill to promote fairness, transparency, and improved healthcare outcomes for our patients.

Every day, I have no choice but to sell drugs below my cost to patients. I cannot turn them away because I have "take it or leave it" contracts with their PBMs, which are owned by their insurance companies. I also do not want to turn them away. I have one patient, he is special needs and must have his expensive, brand-name diabetic drug delivered. He cannot use mail order or a chain pharmacy...he does not have those skills. His PBM reimburses me \$80 below my cost for this drug. Why?? Because they can. Not to mention, they charge us...the taxpayers....ten times this amount for their "service" to his Medicare Part D plan. PBMs are the only part of the health care chain that are allowed to get kickbacks. They make billions of dollars in profit. We struggle to make payroll. Make it make sense.

Our independent pharmacy will not be able to survive much more of this. We just want to be paid back our cost for the drug, plus a small fee to cover our vials, labels, and expertise that helps keep health care costs lower for us all by keeping patients out of the hospital.

The PBMs will tell you: drug prices will rise!! **Do not believe them.** What will happen is: they will have to share more of the pie. We already have reams of data proving their lies (just ask the FTC, The New York Times, and the Wall Street Journal) and their misappropriation of our tax dollars by inflating drug prices.

We must **act now** to bring transparency to PBM operations and ensure that **patients—not corporate profits—remain at the center of our healthcare system.** Oregon has the second-worst patient access to pharmacies in the country, trailing only Alaska. Community pharmacies are closing at an alarming rate—not because they are thriving, but because they are being driven out of business by the predatory practices of PBMs.

HB 3212 introduces several critical provisions including:

- **Ensuring Fair Reimbursement:** The bill mandates that PBMs provide equitable reimbursement rates to pharmacies, preventing practices that could jeopardize the financial viability of local pharmacies and, consequently, limit patient access to essential medications.
- **Transparency in Drug Pricing:** By requiring PBMs to disclose the sources used to determine maximum allowable costs and to update these lists regularly, the bill promotes transparency, allowing pharmacies to make informed decisions and better serve their patients.
- **Prohibition of Unfair Practices:** HB 3212 prohibits PBMs from reimbursing pharmacies differently and from mandating that beneficiaries fill prescriptions exclusively at network pharmacies. This ensures patient freedom to choose their pharmacy and supports the sustainability of various pharmacy models.

These reforms are vital for maintaining the integrity of Oregon's healthcare system. They ensure that pharmacies can continue to provide accessible, affordable, and high-quality care to our

communities. Don't believe me? I invite you to visit Rice's Pharmacy in Corvallis, OR and I will show you how it works.

Force the PBMs to pay their fair share in our state. We can't afford to lose more pharmacies. Patients have a right to choose their health care providers.

I am begging for your support for HB 3212 and the other PBM bills this session (HB 2149, HB 2252, HB 2253, HB 3226, HB 3223). Your affirmative vote will contribute to a more transparent and equitable healthcare environment in Oregon. It will also save valuable jobs, patient lives, and: it is the right thing to do.

Thank you for your consideration.

Sincerely,
Kate Welch, Pharm.D