



To: Oregon House Committee on Behavioral Health and Health Care

From: Clayola Brown, President, A. Philip Randolph Institute

Date: March 10, 2025

RE: OPPOSITION to House Bill 2385

The A. Philip Randolph Institute – an organization of Black trade unionists fighting for racial equality and economic justice – writes to express strong opposition to House Bill 2385. We believe this bill, in its current form, will worsen existing problems in the 340B drug pricing program and empower large healthcare systems at the expense of minoritized patients.

Specifically, we are deeply concerned about:

- **The dramatic growth of contract pharmacy arrangements** has created a system that lacks transparency and ultimately drives up drug costs for patients. Pharmacy Benefit Managers (PBMs) and national chain pharmacies like CVS, Express Scripts, and Walgreens extracted \$3 billion in 340B savings in 2023 alone – money that was supposed to be reinvested into care for vulnerable populations. Instead of improving access to affordable medications, these arrangements disproportionately benefit corporate entities while leaving many underserved communities struggling with high prescription costs.
- **The lack of transparency and oversight in the 340B program** undermines its original mission of expanding healthcare access for low-income and uninsured individuals. Many 340B hospitals and clinics charge uninsured patients and those with private insurance significantly higher prices for medications than they purchase them for, worsening disparities in care. Without clear guidelines ensuring that the savings are used to provide affordable medications to those in need, the program contributes to the growing inequities in our healthcare system.
- **The absence of a requirement that patients actually receive discounted medications** is one of the most glaring failures of the 340B program. Without this safeguard, hospitals and pharmacies are free to exploit the program for profit while leaving patients—especially those in lower-income and marginalized communities—without access to the medications they need. Health equity demands that 340B savings be reinvested into patient care rather than corporate profits.

We urge the Oregon House Committee on Behavioral Health and Health Care to reject House Bill 2385. It is imperative that we prioritize the needs of working families and ensure that the 340B program functions as intended to provide affordable medications.

Thank you for your consideration of our testimony.

Sincerely,
Clayola Brown

President
A. Philip Randolph Institute