



The League of Women Voters of Oregon, established in 1920, is a grassroots nonpartisan political organization that encourages informed and active participation in government. We envision informed Oregonians participating in a fully accessible, responsive, and transparent government to achieve the common good. LWVOR Legislative Action is based on advocacy positions formed through studies and member consensus. The League never supports or opposes any candidate or political party.

February 6, 2024

To: Rep. Nosse and members of the [House Committee on Behavioral Health and Health Care](#)

Re: [HB 4149](#)—PBMS to be licensed by Dept of Consumer and Business Services—Support

This bill will require that Pharmacy Benefit Managers (PBM) be licensed by the Department of Consumer and Business Services along with strengthening reporting requirements. The bill changes how a pharmacy can appeal the amount that a PBM pays the pharmacy for medications. This bill also ensures a patient's right to go to their own pharmacy and does not force them to a mail-in pharmacy.

The League of Women Voters in Oregon has been concerned about the rising prices of medications in general and specifically the reduction of services in health care in rural areas for many years. The League of Women Voters of the United States believes that a basic level of quality health care at an affordable cost should be available to all US residents.

As quoted from the [PBM accountability project](#):

1. PBMs are diverting potential prescription drug savings into the highest rates of profit in the prescription drug chain.
2. Three major PBM companies have taken control of the market and have become so profitable they are among the Fortune 25 companies ranked higher than the drug companies whose prices they had promised to control.

PBM business practices are known to actually drive up drug prices. Rebates to PBMs from drug manufacturers are based on a percentage of the drug's list price encouraging the use of higher priced drugs to boost profit. Patient's share of the cost does not reflect the discounts and rebates that the PBMs receive.

As quoted from the [National Academy for State Policy](#), all 50 states have passed legislation to regulate PBMs. However, in relation to this bill, 29 states require licensure and reporting by PBMs, 23 states prohibit discrimination against non-affiliated pharmacies, and 21 states prohibit retroactive denials. Oregon has not passed legislation of these types that would allow citizens of Oregon the right to transparency through reporting about where their insurance and drug costs are going.

HB 4149 would require reporting and transparency from PBMs leading to a greater understanding and improved policies related to drug pricing. It would also help rural pharmacies by prohibiting retroactive denials and allowing patients to go to their own trusted pharmacists.

We urge your Support for HB 4149.

Thank you for the opportunity to discuss this legislation.

A handwritten signature in black ink that reads "Rebecca L. Gladstone".

Rebecca Gladstone
Co-President LWVOR

A handwritten signature in black ink that reads "Christa Danielson".

Dr. Christa Danielson
Affordable Health Care Portfolio