

## DCBS Drug Pricing Hearing December 8, 2021

**Maribeth Guarino, OSPIRG health care advocate**

We're excited to see this program provide a better picture of Oregon prescription drug prices every year. Transparency is important. The information that comes from reports like this one provides a better understanding of what is actually happening. It's not surprising that in years two and three of this report, there has been a significant decrease in reported price increases for brand-name drugs (over 80% from the first year of the program).

However, even with increased transparency and a reduction in reported price increases as shown by this program, prescription drugs still cost too much. At OSPIRG, we work on a variety of health care issues, but the number one health care topic our members ask about is lowering prescription drug costs. We have heard from consumers with diseases like MS who pay thousands of dollars every month for their medication. Even our members with low prescription costs attribute that to their insurance, and still worry about the cost to them if they lose their job or coverage. One woman who told us her story, Kathie Blair, has chronic migraines. If you've ever experienced a migraine, I don't have to tell you how painful they can be. Kathie was prescribed medication to help with her condition, but it's \$200 a month, and with her current budget it's not something she can afford every month. As a result, she lives with chronic pain and constant worry about the cost of her prescription.

Kathie isn't alone. In an Altarum survey from June of this year, about a fourth of Oregonians reported not filling a prescription, cutting pills in half, or skipping a dose due to the cost.<sup>1</sup> Whether a drug is \$200 or \$2000, prescription drug affordability is a real issue that Oregonians need addressed. Those costs are continuing to rise: in a report this year AARP found that the retail level prices - what consumers pay - for brand name prescription drugs have consistently increased faster than general inflation.<sup>2</sup>

That's why we're happy to support the efforts of the transparency program as it continues to monitor pharmaceutical costs and look for ways to increase the information available about the industry. In the last legislative session, there was a bill that we were happy to support, HB 2044, which would have expanded the program to include reporting information on patient assistance programs. This information would have helped inform the broader drug price transparency program and provide data on affordability challenges and the aid that people need in order to actually use their prescriptions. It was disappointing to see the legislature stall on passing that

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[https://www.healthcarevaluehub.org/application/files/2716/2342/6360/Hub-Altarum\\_Data\\_Brief\\_No.\\_92\\_-\\_Oregon\\_High\\_Drug\\_Prices.pdf](https://www.healthcarevaluehub.org/application/files/2716/2342/6360/Hub-Altarum_Data_Brief_No._92_-_Oregon_High_Drug_Prices.pdf)

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<https://www.aarp.org/content/dam/aarp/ppi/2021/06/trends-in-retail-prices-of-brand-name-prescription-drugs-widely-used-by-older-americans.10.26419-2Fppi.00143.001.pdf>

expansion in 2021, but we hope to see the program's recommendations to improve price transparency return in future sessions.

There are a few other ways we'd like to see the program improve as well. The first is in determining reasons for noncompliance with the program, as at least in last year's report there was only an estimated 70-85% compliance rate with reporting requirements. Though enforcement was able to improve that rate through outreach and education, we'd like to see less need for that follow up, especially in cases of repeated failures to report.

The other things we'd like to see as the program is becoming more routine is even more consistency in the metrics that are released in the report to provide more trackable data from year-to-year, and holding these hearings after the report is publicly available so that consumers, advocates, and others can provide more specific comments during the hearing.

Unfortunately, the truth is that the picture we have is still limited. When the reporting requirement only triggers if the price of a drug increases by 10%, the decrease in reported price hikes doesn't necessarily equate to lower costs for Oregonians - it could also mean less drastic increases, a spread of price hikes, and higher starting prices. We need to do more to lower prescription drug costs to help Oregonians like Kathie.

To that point, we are excited to see the newly established Prescription Drug Affordability Board use the information provided by this transparency program to find ways to actually lower costs, and hope that the work DCBS continues to do will lead to more accountability and lower costs for Oregonians when it comes to prescription drugs. Thank you for your hard work, and we look forward to supporting those efforts and this program as that work continues.