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December 4, 2023

ATTN: Oregon Department of Consumer and Business Services RE: Annual public hearing on prescription drug prices

Dear Colleague:

The Obesity Action Coalition (OAC) is pleased to provide the following comments regarding the upcoming December 7, 2023, hearing of the Oregon Department of Consumer and Business Services on drug pricing transparency. Specifically, we will focus our comments on drugs approved for diabetes and for chronic weight management. OAC appreciates the positive step that the Department of Commerce and Business Services and the Oregon State Legislature is taking to discuss these important therapeutic areas.

The OAC is the leading national non-profit dedicated to serving people living with obesity through awareness, support, education, and advocacy. Our vision is to create a society where all individuals are treated with respect and without discrimination or bias regardless of their size or weight. We strive for those affected by the disease of obesity to have the right to access safe and effective treatment options. And we educate all individuals to understand that when it comes to health, weight matters. OAC has a strong and growing membership of over 80,000 individuals living with obesity, across the United States and more than 863 members in Oregon.

OAC believes that people living with the chronic disease of obesity should have equitable access to treatments that can be life-saving and improve health and wellbeing. Unfortunately, it is quite common for people with obesity to struggle with accessing science-based treatments and services to manage their obesity. A top barrier to care is the high cost of FDA-approved anti-obesity medications (AOMs). The newest and most effective AOMs are often too expensive for most to pay out-of-pocket and they are not covered by the majority of health insurance plans. Cost and coverage issues are keeping new, safe, and effective life-saving treatments away from people who need them most. AOMs should be affordable and covered just like any other serious medication for a serious chronic disease.

Inequity in accessing obesity care is widely present. Obesity care should not be limited by a person's age, race, ethnicity, zip code, or economic status. ALL people deserve quality and affordable obesity care. Bringing down the price and adding coverage for AOMs will save lives and help address access disparities. ALL patients living with chronic diseases deserve access to safe and effective treatments. It should be no different for someone living with obesity needing medication as it would be for someone living with diabetes needing medication.

OAC calls for the following reforms to expand access to obesity care:

• Pharmaceutical companies should price AOM's reflecting the potential population size who may ultimately utilize such medications. Specialty or near specialty pricing limits the population who may benefit most from these medications.

• Make pricing for AOMs transparent. There is responsibility for all actors in this market. Drug manufacturers, pharmacy benefit managers, and health insurance plans need to change practices to solve for meaningful access to obesity care. Drug price reductions and rebates should always extend to the level of patient out-of-pocket costs.

• People living with obesity who lack coverage for AOMs should have access to consumer discount pricing at least the same level as pharmacy benefit managers and health insurance plans.

• Drug manufacturers should offer robust long-term patient assistance programs that make access to AOMs equitable and affordable. We suggest patient assistance programs structured similar to those available for people living with diabetes as a good blueprint.

• Add obesity to the list of covered diseases in Co-Payment Assistance Organizations dedicated to covering the cost of treatment and care. At this time, obesity is not a covered disease.

• All healthcare payers (public and private) should require coverage of all science-based treatments including AOMs, like they do for care and medications that treat other chronic diseases. It is unethical to prohibit coverage for a life-saving treatment.

• We recognize that AOMs have value and manufacturers need to recoup the cost of research and development to bring new innovations to market. We also need to better quantify the full value from treatment and encourage outcomes-based pricing approaches.

Obesity is a Chronic Disease

Obesity is driven by strong biology, not by choice. Obesity is a serious chronic disease that requires treatment and management just like diabetes, cancer, or high blood pressure. Obesity has been recognized as a disease by major medical organizations such as the American Medical Association, American Academy of Family Physicians, American Association of Clinical Endocrinologists, American Diabetes Association, American Heart Association, National Institutes of Health, and the World Health Organization.

Patients are Entitled to Care

AMA's recognition of obesity as a disease in 2013 was the catalyst behind numerous other organizations declaring support for patient access to and coverage for comprehensive obesity care, such as the National Council of Insurance Legislators, National Lieutenant Governors Association, National Hispanic Caucus of State Legislators, National Black Caucus of State Legislators, Veterans Administration, the Department of Defense, and the Federal Employees Health Benefits Program.

OAC believes the state and/or legislature should act in the coming months to provide coverage for comprehensive obesity care – including FDA-approved AOMs. ALL patients living with chronic diseases deserve access to safe and effective treatments. It should be no different for someone living with obesity needing medication as it would be for someone living with diabetes needing medication. Again, we appreciate this opportunity to provide public comment on this critical issue. Should you have questions or need additional information, please contact our Policy Advisor, Chris Gallagher at chris@potomaccurrents.com. Thank you.

Sincerely

Joseph Nadglowski, Jr. OAC President and CEO