



**Testimony**  
**Andrea Meyer, Director of Government Relations**  
**DCBS Public Hearing on Prescription Drug Prices**  
**December 4, 2025**

AARP Oregon is pleased to testify and submit these comments before the Oregon Department of Consumer Business & Services Prescription Drug Prices public hearing. AARP is the nation's largest nonprofit, nonpartisan organization dedicated to empowering Americans 50 and older to choose how they live as they age. With over 500,000 members in Oregon, AARP works to strengthen communities and advocate for what matters most to families.

Americans are sick and tired of paying the highest drug prices in the world for critically needed medication. Americans pay 3x more than other countries for the same brand name drugs.<sup>1</sup> The median price of new drugs entering the market is now more than \$370,000 per year.<sup>2</sup> AARP's Public Policy Institute has also found that the prices of popular brand name drugs have nearly doubled on average since they first entered the market.<sup>3</sup> Escalating drug prices unnecessarily increase health care spending, taking money out of consumers' pockets and leading many to not take their drugs as prescribed.

Oregonians should not have to choose between buying medicine and paying for food and rent but that is the reality faced by too many. Just one example: Approximately 354,000 Oregonians have been diagnosed with diabetes.<sup>4</sup> Lantus is an insulin product that is used to help manage high blood sugar levels. Between its launch in 2000 and 2023, the list price of Lantus increased by 739%, while the corresponding rate of general inflation for that period was 71%.<sup>5</sup> That means the price of this drug increased by more than ten times the rate of inflation.

In 2022, AARP was successful in advocating for significant prescription drug price reforms at the federal level, including giving Medicare the authority to negotiate drug prices.<sup>6</sup>

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<sup>1</sup> [https://www.rand.org/pubs/research\\_reports/RRA788-3.html](https://www.rand.org/pubs/research_reports/RRA788-3.html)

<sup>2</sup> <https://www.reuters.com/business/healthcare-pharmaceuticals/prices-new-us-drugs-doubled-4-years-focus-rare-disease-grows-2025-05-22/>

<sup>3</sup> <https://www.aarp.org/pri/topics/health/prescription-drugs/prices-top-medicare-part-d-drugs-entering-market/>

<sup>4</sup> <https://diabetes.org/sites/default/files/2025-05/the-burden-of-diabetes-oregon-05-08-25.pdf>

<sup>5</sup> <https://www.aarp.org/content/dam/aarp/ppi/topics/health/prescription-drugs/prices-top-medicare-part-d-drugs-tripled-entering-market.doi.10.26419-2fppi.00202.001.pdf>

<sup>6</sup> <https://www.aarp.org/politics-society/advocacy/info-2022/medicare-budget-proposal.html>

However, most of the impact of those reforms only affects people on Medicare. There remains much more that can and should be done at the state level to address the high cost of prescription drugs. In Oregon we have made important advances to bring transparency to the reasons for drug price increases, but we must go further to enact meaningful reforms that will make a difference in the lives of Oregonians.

Oregon should empower the Prescription Drug Affordability Board (PDAB) to set Upper Payment Limits (UPLs) on certain high-price drugs, utilizing data that is collected by the existing drug price transparency law. We believe these UPLs should be applied to all payors in the state, but even if only applied to government payors, it would reduce drug spending by government considerably. This year, Colorado's PDAB became the first to set a UPL on a drug (Enbrel) in that state. Maryland's PDAB is expected to announce UPLs on multiple drugs in the near future.

The PDAB could use existing reference points to set UPLs. Canadian prices can be used as a reference point, as the prices in Canada are significantly lower than in the United States. Another method to set UPLs in the future would be to use the negotiated rate on drugs that Medicare establishes, known as the Maximum Fair Price (MFP), which is what Colorado did with their UPL on Enbrel. This would effectively reduce state spending, and if applied to all payors, could lead to lower health care premiums and out-of-pocket costs for all Oregonians.

As the issue of biosimilar substitution is on the agenda for this hearing, AARP's position is that state and federal policies and legislation should not unnecessarily impede the substitution of biosimilar products the FDA designates as interchangeable with brand-name biologic products. If when substituting biosimilar products for their brand-name biologic the FDA deems that the products are interchangeable, the process for counterparts should be the same as the process for substituting traditional generic products for their brand-name counterparts.

Evidence has repeatedly shown that generic drugs are less expensive, increase adherence, and improve overall health. Substituting generic drugs for brand name drugs at the pharmacy also helps drive generic uptake and price competition. However, restrictive requirements for biosimilar substitution could prevent biosimilars from having a similar impact. Different patient and provider notification requirements could contribute to lingering patient and health care provider concerns about biosimilars and interchangeable biosimilar substitution as well as reduce uptake among consumers, including older adults. In addition, potentially onerous communication and documentation requirements could reduce pharmacist willingness to substitute biosimilars and interchangeable biosimilars for their brand-name counterparts.

Aligning state biosimilar substitution requirements with less-onerous generic substitution requirements can also help improve patient access. Consumers often face high cost-sharing for brand-name biologics, particularly if their insurer requires them to pay a percentage of the drug's price instead of a flat copay. Like generic drugs, lower-priced interchangeable

biosimilars could help reduce these out-of-pocket costs and, in so doing, improve patient adherence and health outcomes as well as reduce overall health care spending.

AARP also supports expanding bulk purchasing efforts, banning price gouging by drug manufacturers, and preventing insurance companies from changing their formularies in the middle of the plan-year that cause an increase out-of-pocket costs or other negative effects for consumers.

We appreciate the opportunity to provide comments today and AARP Oregon stands ready to join with others in addressing the high cost of prescription drugs so our members no longer have to make tough decisions about whether or not they can afford the medications they need.