

December 18, 2020

TO: The Oregon Department of Consumer & Business Services, Oregon Prescription Drug Price Transparency Hearing

I submit this testimony on behalf of AARP Oregon, a nonprofit member association representing over 530,000 members primarily age 50+ in Oregon. I also represent AARP Oregon as a volunteer and serve on the DCBS Division of Financial Regulations Insurance Advisory Council.

Ever since I entered the field of aging and disAbilities over 40 years ago, securing affordable and accessible medically necessary prescription medications has been a challenge for many Americans. To date, Congress has failed to assert strong leadership to address this. Now more than ever, facing escalating costs of medications during a pandemic and economic crisis, we need action to address this issue. The time for action by States, especially those who have shown past leadership for innovation and action such as Oregon, is now.

AARP Oregon took an active role in past actions such as: enactment and expansion of the Oregon Prescription Drug Program; the use of Value-based comparative research to inform drug formularies and physician/patient for looking at drug efficacy and price; and the drug price transparency legislation which is a major reason we are here today. The work to date confirms a basic concern that the pharmaceuticals often charge too much for necessary medications.

We have seen various strategies applied, from the bulk purchasing pools to use of Medicaid purchasing power. But unless the costs charged by manufacturers are also scrutinized and addressed, the ultimate cost-shift via premiums, co-pays or other mechanisms ultimately hits the consumer. Thus creation of an Oregon Prescription Drug Affordability Board to identify those prescription drug products which cause affordability and accessibility challenges to set upper limits for those drugs.

Thank you again for your leadership on this important issue. We look forward to working with you to support Oregon and other state-based savings arrangements.

Sincerely,



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AARP Oregon State Volunteer