COMMUNITY ACCESS NATIONAL NETWORK

Mailing Address:

Attn: Jen Laws
PO Box 3009
Slidell, LA 70459

Chief Executive Officer:

Jen Laws
Phone: (313) 333-8534
Fax: (646) 786-3825
Email: jen@tiicann.org

October 11, 2024

Oregon Prescription Drug Affordability Board
Department of Consumer and Business Services
350 Winter Street NE
Salem, OR 97309-0405

RE: Oregon Prescription Drug Affordability Board Guidelines

Dear Honorable Members of the Oregon Prescription Drug Affordability Board,

The Community Access National Network (CANN) is a 501(c)(3) national nonprofit organization focusing on public policy issues relating to HIV/AIDS and viral hepatitis. CANN's mission is to define, promote, and improve access to healthcare services and support for people living with HIV/AIDS and/or viral hepatitis through advocacy, education, and networking.

While CANN is primarily focused on policy matters affecting access to care for people living with and affected by HIV, we stand in firm support of all people living with chronic and rare diseases and recognize the very reality of those living with multiple health conditions and the necessity of timely, personalized care for every one of those health conditions.

Today, we write with commentary regarding your ongoing thorough efforts to set up the Prescription Drug Affordability Board (PDAB) for success.

The Cost-Benefit of a UPL Does Not Serve Oregon Patients

In expressing our support for certain recommendations from the PDAB, we also wish to highlight concerning findings from the PDAB's own contracted consultants reviewing the cost-benefit of imposing an "Upper Payment Limit" (UPL). In the Stauffer-Meyers UPL Draft Report, authors noted a few concerns which are particularly important to under-served and marginalized communities highly impacted by health disparities. The most noted being that imposition of a UPL on a best-case basis may produce less than half a million dollars in "savings" to Oregon's Medicaid program due to reductions in rebate values applied to the program (pg. 27). This does not consider the negative fiscal impact of potentially reducing federal matching dollars (FMAP) in assisting the state of Oregon in meeting its Medicaid population's needs.

Furthermore, as the report notes, an analysis could not be made regarding any impact on 340B covered entities, however, given the estimation relative to Medicaid rebate reductions, a similar reduction in 340B discount values should be expected. For 340B covered entities serving marginalized populations and otherwise operating as safety net entities, such a reduction would likely prove damaging to patient affordability and access and harmful to the financial sustainability of these entities, particularly federally qualified health centers.

Simply put, a UPL does not serve either the "health system" as a whole or patients living in Oregon. CANN continues to urge the Oregon Legislature and the PDAB to weigh the potential of such a minor benefit relative to significant concerns in these regards.

2024 Proposed Policy Recommendations

We applaud the three items you refer to in your policy analysis as "Potential Senate Bill clean-up." Changing the language from locking in a mandatory set number of drugs for review empowers the Board to focus on medicines that effectively meet the future affordability challenge criteria the Board sets instead of forcing designations of drugs merely out of statute, potentially unnecessarily causing access issues for patients.

We also thank you for considering the reporting changes regarding removing the requirement of the generic drug report and the quarterly DCBS prescription drug list requirement. Accurate and relevant data is required to serve your citizens and your health system beneficially. This is important to ensure your KPIs or metrics truthfully address your concerns.

Additional Recommendations

Your recommendations, which you labeled 'additional recommendations', are also practical.

We support your recommendations for enhanced reporting regarding copay accumulators and maximizers and other benefit design issues. Requiring PBMs to assume the burden of responsibility for reporting will improve transparency, strengthen the quality of the collected data, and remove the onus of data collection from the Board.

We support the recommendation of a statewide preferred drug list for all classes of prescription drugs for OHP FFS. This not only reduces the administrative burden for providers but improves patient access. Ensuring all patients have the same access to all approved drugs agnostic of the FFS plan results in all patients benefiting from the well-researched drug list and helps them maintain consistency as their circumstances change, which could result in plan migration over time.

We support the recommendation of the OHP, FFS, and CCOs purchasing through a statewide purchasing group. In addition to cost savings and logistical efficiency, the purchasing group could provide funding. Administrative fees charged to the participating vendors could be used to support programs and other needs of the various members, resulting in reduced system expenditures and, ultimately, cost savings being passed on to patients.

We support the suggestion of minimum dispensing fees across all payers and the prohibition of below-cost pharmacy reimbursement. This will shield the financial stability of pharmacies from being adversely affected by any market response to future drug affordability policy actions.

We support the uniform reimbursement rate recommendation for CAPs and the PBMs that contract with them. CAPs service underserved areas and do not benefit from high-volume purchasing. This recommendation would protect the stability of operation. Protecting them from actions, such as PBMs restricting reimbursement or forcing mail-order utilization, which could potentially prevent pharmacy closures that would create pharmacy deserts and harm patient access.

Additional Potential Considerations

We would also like to propose potential considerations to be added as policy recommendations as reflected by the recent Federal Trade Commission (FTC) complaint against three specific PBMs:

- Prohibit PBMs from designing benefit plans that base patients' cost-sharing (i.e., deductibles or coinsurance) on list price rather than the net costs after rebates.
- Prohibit contracting resulting in PBM compensation being tied to a drug's list price or related metric or "de-linking" rebate structures from PBM profitability.
- Prohibit PBMs from discouraging the use of or excluding low WAC versions of drugs made by the same manufacturers opting to favor the high WAC drug on formularies.
- Imposing a critical eye at price reporting data such as WAC and AMP. The FTC report referenced herein details how PBMs manipulate both ecosystem and state-specific data by prioritizing high WAC medications over low WAC medications, even when manufactured by the same company. Thus, the price metrics considered by the PDAB are "contaminated" and the PDAB's conclusions will similarly be tainted by this data flaw.

CANN remains steadfast in urging PBM reform and enforcement of same as the most direct means to aiding patients and Oregon's health system. The unfortunate reality is the state's PDAB is not currently empowered to address these issues. We look forward to continuing to work with the Board, sharing our experiences from other states regarding PDABs, and ensuring that the best outcomes for patients remain a priority.

Respectfully submitted,

Sincerely,
Ranier Simons
Director of State Policy
Community Access National Network (CANN)

On behalf of
Jen Laws
President & CEO
Community Access National Network