

Controls sought for prescription drug prices

Oregon could lead other states

By **PARIS ACHEN**
Capital Bureau

SALEM — Backers say state legislation proposed this month would go further than any other state to control the price of prescription drugs to patients and insurers.

A bill by state Rep. Rob Nosse, D-Portland, would cap patients' out-of-pocket copayment for prescriptions, require pharmaceutical companies to explain steep increases in the cost of a medication and mandate rebates when prices exceed a certain threshold.

"This bill will finally put some limits around what consumers pay and for the drugs that they need in order to continue to lead healthy and productive lives and help us to take steps toward affordability, accountability and transparency," Nosse said.

Three other bills by Sen. Elizabeth Steiner Hayward would take similar steps but also require pharmaceutical companies to include the average wholesale price of a drug in any type of direct con-

sumer advertising.

"Last week, there was a story about a \$35,000 price tag for a drug that has been on the market longer than I have been alive, and that was almost back in the 1950s, but that is not an uncommon story," said Steiner Hayward, who also is a family physician.

The antiparasitic drug — mebendazole — is showing promise for treatment of brain tumors.

"Historically, that drug has been \$3 a pill; it's now \$369 a pill," Steiner Hayward noted.

"Those changes are unacceptable for Oregonians."

Work group

Nosse said his bill came out of a work group that has been meeting since August to brainstorm solutions for the high cost of prescription drugs.

The proposals cap out-of-pocket patient copayments — \$250 per purchase in the Senate plan, \$500 in the House bill. Pharmaceutical manufacturers would be required to explain to the state Department of Consumer and Business Services any price increases that exceed \$10,000 or 3.5 percent a year.

Finally, the bill requires



Left to right, Rep. Rob Nosse, D-Portland; Jesse O'Brien of the Oregon State Public Interest Research Group; and Sen. Elizabeth Steiner Hayward, D-Beaverton, talk to reporters about legislation to rein in the cost of prescription drugs during a news conference Thursday at the state Capitol in Salem.

the state to calculate the average cost of drugs sold in 35 industrialized nations that are members of the Organisation for Economic Cooperation and Development. Pharmaceutical manufacturers would be required to provide rebates to insurers for the difference between the average

cost in those other nations and the actual cost in the United States.

Public hearings on the bills are tentatively set for the end of the month, the sponsors said.

A coalition calling itself Oregonians for Affordable Drug Prices Now has coalesced

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around the legislation.

Members include nurses, teachers, public-policy advocates, public unions, hospitals and medical groups, insurers and the Oregon State Pharmacy Association.

'Unlikely allies'

"This is a group of unlikely

allies," said Jesse O'Brien, policy director for the Oregon State Public Interest Research Group, a coalition member. "We definitely don't agree on everything, including on everything in health care, ... but we all agree that it is urgently important for the state of Oregon to make the rising cost of prescription drugs a top priority this year, because it really is a heavy burden on every Oregonian."

The powerful pharmaceutical lobby is expected to push back against the proposals. PhRMA and the Oregon Bioscience Association have both issued statements on the legislation.

"The proposal in its current form is fatally flawed," said Caitlin A. Carroll, a Washington, D.C.-based spokeswoman for PhRMA. "Imposing aggressive price controls on innovative, often life-saving medicines to simply fatten the wallets of Oregon's health insurers is irresponsible and could chill innovation, jobs, and private investment in the state for years to come."

The Capital Bureau is a collaboration between EO Media Group and Pamplin Media Group.

Lawmakers deliberate on consolidating rules for medical, recreational marijuana

Regulations under separate state agencies

By **PARIS ACHEN**
Capital Bureau

SALEM — State legislators are moving toward consolidating the state's medical and recreational marijuana industries into one regulatory system.

The co-chairwomen of the Joint Committee on Marijuana Regulation have dropped several bills that would move regulation of medical marijuana from the Oregon Health Authority to the Oregon Liquor Control Commission, the regulatory agency for recreational sales of the drug. Another proposal would establish a separate agency specifically for cannabis regulation.

The Oregon Health Authority has regulated the medical marijuana program since it was created through Ballot Measure 67 in 1998. When voters legalized recreational cannabis use with Measure 91 in 2014, regulation of the new program was assigned to the liquor commission, while the health authority retained oversight of the medical program.

Health authority officials from the beginning were reluctant overseers, said Tom Burns, a marijuana policy consultant and former health authority administrator.

The Oregon Health Authority's tardy and ill-conceived rollout of rules and dedication of resources to the program was an "unmitigated disaster," Burns said.



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The state Legislature is considering bills that would place regulation of the state's medical and recreational marijuana programs under one agency.

In time, it became apparent that two separate systems made little or no sense because of the health authority's disinterest in regulating the program, he said.

"The medical suppliers, growers and patients said let us get it out of OHA to somebody who does want it and will work with us to make a program that works for us," Burns said.

But that sentiment may not permeate the entire medical marijuana industry and its patients, said state Rep. Carl Wilson, R-Grants Pass, a member of the legislative marijuana regulation committee.

"I think we all realize that there is a big push to have everybody under OLCC," said Wilson, whose district covers the marijuana-fertile lands of southern Oregon.

Part of the idea of splitting up regulation was to keep medical costs down for patients. The liquor commission instituted much more strict and expensive regulations to report and track product, while health authority's system relied largely on self-reporting. The health authority also charges lower fees for registration and licensing.

"A lot of people have griped about OMMP (the Oregon Medical Marijuana Program) and OHA over time, but as they look at OLCC, they are starting to fall in love with OHA and OMMP again," Wilson said.

Their hesitation in embracing the liquor commission stems largely from the higher cost of producing marijuana in the recreational system, where fees are higher for almost

everything and regulation is more onerous.

Wilson said he would support consolidation if lower fees were charged medical growers and suppliers and if medical growers could sell into the recreational market, which they are now prohibited from doing.

Andre Ourso, manager of the health authority's medical marijuana program, said the health authority has had its "hands full" regulating the program.

"It's definitely taken its share of criticism, and in some cases, rightfully so," Ourso said. "But overall I think we've done a very good job in handling the duties that have been handed down to us."

Nevertheless, health authority officials see the sense in consolidating the marijuana programs.

"We can see that for bureaucratic efficiency's sake, there really shouldn't be two parallel regulatory systems, but there is still going to be a necessity for patients to have a program to be in," Ourso said.

For example, patients don't have to pay taxes when they purchase medical marijuana. They have access to higher concentrations of tetrahydrocannabinol, the active ingredient in cannabis, and they can buy more of it.

"I do think there is a place for the registry program within the state of Oregon," Ourso said. He said it's up to "this Legislature to determine exactly how that would be shaped."

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Coal-export terminal backer appeals denial of aquatic sublease

Associated Press

LONGVIEW, Wash. — Developers of a proposed coal-export terminal in southwest Washington have appealed after the state last month denied the project an aquatic lands sublease.

Millennium Bulk Terminals and Northwest Alloys challenged the state's decision in Cowlitz County Superior Court, The Daily News of Longview reported Sunday.

Before leaving office, Public Lands Commissioner Peter Goldmark last month rejected a request from Northwest Alloys — originally made in 2010 — to sublease the state's aquatic lands to Millennium for the coal-export project. Northwest Alloys owns the site of a former aluminum smelter where the coal terminal is proposed.

The proposed terminal in Longview would handle up to 44 million metric tons of coal a year. The coal would arrive by train from Montana, Wyoming and other states to be stored and loaded on ships for export to Asia.

The companies argue in

court filings that the decision infringes on their property rights. They also dispute Goldmark's assertion that they didn't provide adequate information about Millennium's financial standing.

Attorneys for the company wrote that they have responded to numerous requests for information from the Department of Natural Resources and cooperated by providing extensive information demonstrating Millennium's suitability as a subtenant under the lease.

Department of Natural Resources spokesman Joe Smillie said the department is reviewing how to move forward, but he declined to comment on the pending litigation.

New state Lands Commissioner Hilary Franz said last month that Goldmark made the "right decision." Franz has repeatedly said she opposes leasing state lands for fossil fuel projects.

Millennium had previously contended the existing lease with Northwest Alloys was sufficient, but now the companies say the appeal is a cautionary measure.

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Homeownership and Financial Education Workshops
Community Action Team will be holding two (2) free education workshops during the month of February in Clatsop County. The classes are held on Saturdays from 8:30 am to 4:30 pm in our Astoria office as follows:
Homeownership Workshop: Feb. 18th
Financial Education Workshop: Feb. 25th
The Homeownership Workshop teaches shopping for a home, financial readiness, understanding mortgages, the closing process and how to protect your investment. The Financial Education Workshop teaches budgeting, saving, goal setting, credit management, and improving overall financial health. Community Action Team is your local HUD Approved Agency. Pre-registration is required.
Call (503) 325-8098 or e-mail cindkp@cat-team.org.