

Drug makers skeptical about impact of curtailing drug prices

By PARIS ACHEN
Capital Bureau

SALEM — Pharmaceutical representatives warned an experimental bill to curtail the rising cost of prescription drugs could have unintended consequences on the quality and availability of drugs in Oregon.

“I am concerned that it will stifle innovation,” said Sandra Shotwell, CEO of DesignMedix, a drug developer that got its start at Portland State University.

The legislation by Rep. Rob Nosse, D-Portland, goes farther than any other law in the nation to regulate prescription prices.

The bill 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.

Oregonians need relief from exorbitant drug prices, but addressing the problem is complicated, Nosse said.

“The way drugs are developed and the way they are paid for

makes solving this problem very hard,” the Portland lawmaker said.

The story of one Oregon family, featured in the *Portland Business Journal*, stands out, Nosse said. When Les Rogers’ 4-year-old daughter was diagnosed with a rare seizure disorder, the family learned the treatment, a drug called Acthar, cost \$35,000 per vial. The drug has been available since the 1950s, but when California-based Questcor Pharmaceuticals bought the rights to it, the company raised the price by 85,000 percent, from \$45 a vial, Nosse noted.

DesignMedix has for the past nine years been building on research initiated at PSU. The start-up company has received state support from the Venture Development Fund and has contracted for clinical trials and capsules with Oregon companies, DesignMedix CEO Shotwell said.

The company can only take the product so far before it will need the help of a pharmaceutical company to run expensive and complicated clinical trials.

“When I ask investors to help us with the funds to move a

program forward, they say to me: What about government policies? What about things like price caps?” she said.

A coalition of 10 health care organizations, such as The Leukemia & Lymphoma Society and the American Cancer Society Cancer Action Network, also have concerns about how the bill could impact research and availability of drugs.

“There is no precedent for doing something like this, said Thea Zajac, regional director of governmental affairs for The Leukemia & Lymphoma Society. “It is just a big unknown. It’s really hard to know how it would play out.”

The coalition has offered an alternative proposal in the Senate that would require insurers to offer at least one plan at each level that requires only a set copayment for prescription drugs. Other plans often require patients to pay a percentage of the drug’s cost.

“Patients have reported going into debt, forgoing other necessary expenses and, at worst, abandoning their treatment

completely,” Zajac wrote in a statement about the bill. “Patients who abandon treatment can end up getting sicker and perhaps even end up back in the hospital, which only triggers more costs to our healthcare system. Simply put, high cost-sharing lowers medication adherence, a problem estimated to cost the US \$290 billion annually.”

The proposal caps out-of-pocket patient copayments to \$100 per drug per month. Pharmaceutical manufacturers would be required to explain to the Oregon Department of Consumer and Business Services any price increases that exceed \$10,000, or 3.5 percent a year.

Finally, the bill requires DCBS 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.

Tuition hike of 10.6 percent approved for UO

EUGENE (AP) — University of Oregon trustees have approved tuition increases for the upcoming school year of 10.6 percent for in-state students and 3 percent for out-of-state students.

The *Register-Guard* reported that Thursday’s 11-1 decision by the trustees means that the cost of attendance for the 2017-18 school year including fees will be \$11,931 for residents and \$34,611 for nonresidents.

The university’s chief financial officer, Jamie Moffitt, said the tuition increase is necessary because the state Legislature did not increase funding for schools next year even though next year’s costs are increasing by \$25 million.

About 40 students attended the meeting, urging trustees not to approve the increase.

Freshman Maria Slade said the increase will be a huge burden for her parents and that her father had told her he would have to work until he reaches age 70 for her to stay at the school.

“I hated that. I’m unwilling to watch my parents make more sacrifices to keep me in a school that, as is apparent with this proposed increase, doesn’t seem to care whether I stay or go,” Slade said.

Board member Peter Bragdon said lobbying is needed with state lawmakers to ensure better university funding and avoid future tuition increases.

Higher education leaders have asked the Oregon Legislature for an additional \$100 million more than the \$667 million that Gov. Kate Brown has proposed for public universities in her budget.

The state faces a \$1.6 billion shortfall driven by rising costs in the state’s public pension system and Medicaid, as well as unfunded directives passed by voters in November.

About \$7 million of the cost increase is required by the Public Employees Retirement System’s demands. Moffitt said that required retirement system payment will increase by a similar figure every two years for the next three or four budget cycles.

The Legislature has long been looking for a solution to curb rapidly rising costs associated with the public retirement system.

Oregon lawmakers push to protect pot users’ info from U.S.

SALEM. (AP) — Oregon lawmakers worried about a nationwide crackdown on legal marijuana under President Donald Trump’s administration are rushing to protect the personal information of pot customers in case federal agents try to seize it.

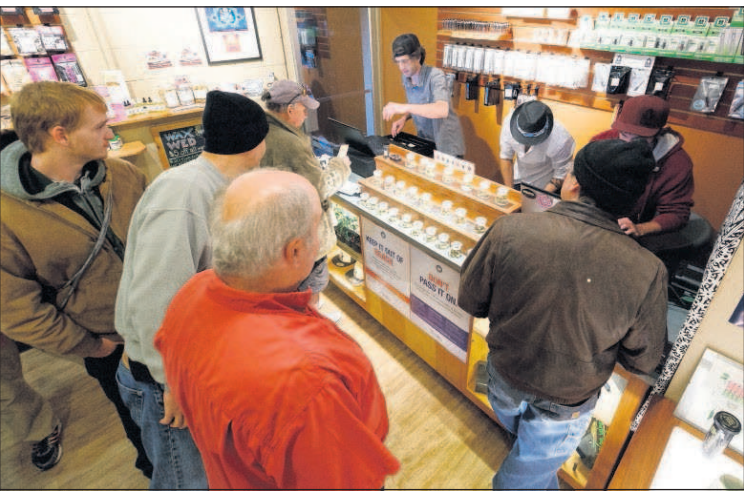
A bipartisan group of lawmakers is taking one of the first direct state actions in response to White House spokesman Sean Spicer last week suggesting a boost in enforcement of federal anti-marijuana laws.

U.S. Attorney General Jeff Sessions said this week that the Justice Department is reviewing an Obama-era memo giving states flexibility in passing marijuana laws.

The committee that crafts Oregon’s pot policies has proposed legislation that requires marijuana businesses to destroy customers’ personal information, such as names, addresses and birth dates, gathered for marketing purposes, within 48 hours.

The measure is scheduled for its first hearing Tuesday. It must pass the full Legislature and be signed by the Democratic governor, who’s vowed to fight federal interference in Oregon’s pot market.

“I could see where the federal government would come in and try to gather this information from



In this 2015 file photo employees of Amazon Organics, a marijuana dispensary in Eugene, help customers purchase recreational marijuana.

businesses that have stockpiled it and retained it in their records,” said Democratic state Sen. Floyd Prozanski, a bill sponsor who is also a prosecutor. “I think we as legislators have a duty to protect our citizens.”

Eight states and the District of Columbia have legalized marijuana for recreational use. Shops that sell the drug are open in four states and are required to check IDs to verify that customers are at least 21.

But many in Oregon go

further, keeping an internal log of customers’ personal details to promote their product, including special deals and discounts on birthdays. Some dealers even log driver’s license numbers to track each marijuana product a person buys and on which dates, which helps customers buy an item again even if they forget its name.

Colorado and Alaska prohibit retaining that private information. It’s also frowned upon, although not illegal, in Washington state.

“The reason we keep that

information is to reach out to them — it’s marketing, just like any retailer,” said Donald Morse, executive director of the Oregon Cannabis Business Council.

Some lawmakers and marijuana industry experts say the ramifications also could be far-reaching for some recreational users and medical cardholders, who might be federal employees or have permits to carry concealed weapons.

“When you go to purchase a firearm, you have to fill out a background check, and there’s a specific question about marijuana use on that form,” said Senate Republican Leader Ted Ferrioli, also a bill sponsor. “I would hate to think that some misguided effort at the federal level to coordinate the client lists that could be confiscated in absence of this (proposal) with the firearms purchase lists.”

More than half the country has approved legalized marijuana in some form, mostly for medical purposes. Any federal attempt to crack down on recreational pot could affect medical marijuana users because the markets are increasingly integrated.

State pot programs have rolled out without federal interference largely from two key Obama-era directives, both of which are under federal review.

Corrections

The *East Oregonian* works hard to be accurate and sincerely regrets any errors. If you notice a mistake in the paper, please call 541-966-0818.

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Forecast

TODAY

SUNDAY

MONDAY

TUESDAY

WEDNESDAY

A rain or snow shower; some sun

Showers of rain and snow; chilly

Afternoon rain and snow showers

A few showers; snow chance early

Cloudy and breezy

PENDLETON TEMPERATURE FORECAST

45°	30°	45°	27°	43°	32°	53°	43°	56°	43°
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HERMISTON TEMPERATURE FORECAST

47°	31°	47°	26°	44°	32°	52°	41°	58°	42°
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ALMANAC

PENDLETON

through 3 p.m. yesterday

TEMPERATURE

	HIGH	LOW
Yesterday	57°	32°
Normals	52°	32°
Records	67° (1994)	7° (1896)

PRECIPITATION

24 hours ending 3 p.m.	0.00"
Month to date	0.00"
Normal month to date	0.10"
Year to date	3.92"
Last year to date	2.66"
Normal year to date	2.61"

HERMISTON

through 3 p.m. yesterday

TEMPERATURE

	HIGH	LOW
Yesterday	58°	32°
Normals	54°	31°
Records	67° (1936)	12° (1989)

PRECIPITATION

24 hours ending 3 p.m.	0.00"
Month to date	0.00"
Normal month to date	0.10"
Year to date	3.46"
Last year to date	1.67"
Normal year to date	2.34"

SUN AND MOON

Sunrise today	6:28 a.m.
Sunset tonight	5:46 p.m.
Moonrise today	10:13 a.m.
Moonset today	none

First	Full	Last	New
Mar 5	Mar 12	Mar 20	Mar 27

Shown is today's weather. Temperatures are today's highs and tonight's lows.

Coastal Oregon: Cloudy and chilly today with periods of rain. Mostly cloudy tonight with showers.

Eastern and Central Oregon: Mostly cloudy with a couple of showers around; snow level as low as 3,000 feet.

Western Washington: Occasional rain today and more showers tonight. Snow levels as low as 500 feet at times.

Eastern Washington: Clouds and occasional sunshine today; a rain or snow shower near the Idaho border.

Cascades: Snow at times, heaviest this afternoon, with new snow accumulations today of 3-6 inches.

Northern California: Rain at times today; cooler; snow levels lowering to near 5,000 feet.

REGIONAL CITIES

	Today			Sun.		
	Hi	Lo	W	Hi	Lo	W
Astoria	45	33	r	42	33	sh
Baker City	45	26	sh	39	22	sf
Bend	47	22	sn	35	20	sf
Brookings	46	36	r	43	38	r
Burns	42	18	pc	31	16	sf
Enterprise	40	26	c	34	19	sn
Eugene	46	33	r	41	34	sh
Heppner	44	26	r	40	23	c
Hermiston	47	31	r	47	26	pc
John Day	43	25	sh	34	23	sf
Klamath Falls	44	24	r	34	23	sf
La Grande	45	31	r	39	26	sn
Meacham	41	27	c	35	22	sn
Medford	50	32	r	42	33	c
Newport	44	36	r	42	34	sh
North Bend	48	37	r	44	36	sh
Ontario	51	30	sh	42	25	sf
Pasco	51	32	c	48	31	pc
Pendleton	45	30	r	45	27	sn
Portland	45	35	r	42	32	sh
Redmond	50	32	c	40	23	sf
Salem	46	34	r	42	34	sh
Spokane	41	27	c	35	26	sf
Ukiah	42	24	r	36	21	sf
Vancouver	46	34	r	42	34	sh
Walla Walla	47	33	r	46	32	sf
Yakima	47	26	c	45	26	sf

WORLD CITIES

	Today			Sun.		
	Hi	Lo	W	Hi	Lo	W
Beijing	57	37	s	52	28	pc
Hong Kong	73	66	pc	74	66	pc
Jerusalem	58	43	pc	61	46	s
London	52	41	pc	50	39	r
Mexico City	73	50	pc	73	49	pc
Moscow	39	34	c	40	35	sn
Paris	50	40	r	52	41	r
Rome	61	47	t	57	48	r
Seoul	52	27	pc	51	24	c
Sydney	74	66	pc	76	67	pc
Tokyo	55	43	pc	56	43	pc

WINDS

	Today		Sunday	
(in mph)	Boardman	Pendleton	Boardman	Pendleton
	NW 3-6	NW 3-6	SW 10-20	SW 8-16

UV INDEX TODAY

0	1	2	1	1	0
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8 a.m. 10 a.m. Noon 2 p.m. 4 p.m. 6 p.m.

0-2, Low 3-5, Moderate 6-7, High; 8-10, Very High; 11+, Extreme

The higher the AccuWeather.com UV Index™ number, the greater the need for eye and skin protection.

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NATIONAL WEATHER TODAY

Shown are noon positions of weather systems and precipitation. Temperature bands are highs for the day.

showers t-storms rain flurries snow ice cold front warm front stationary front high low

National Summary: Rain will drench central and southern Texas today, while rain and mountain snow impact the Northwest. Most other areas will be dry and sunny. The Northeast will have one of the coldest days this winter.

Yesterday's National Extremes: (for the 48 contiguous states)
High 85° in Tamiami, Fla. Low -23° in Brimson, Minn.

NATIONAL CITIES

	Today			Sun.				Today			Sun.		
	Hi	Lo	W	Hi	Lo	W		Hi	Lo	W	Hi	Lo	W
Albuquerque	68	41	s	68	42	pc	Louisville	58	37	s	66	53	pc
Atlanta	61	40	s	66	50	pc	Miami	68	46	s	63	54	c
Atlantic City	37	12	s	40	18	s	Memphis	76	66	pc	75	66	pc
Baltimore	40	15	s	40	23	s	Millwaukee	38	33	pc	51	44	c
Billings	56	37	pc	54	28	c	Minneapolis	45	37	pc	59	49	pc
Birmingham	65	42	s	66	54	pc	Nashville	64	39	s	68	53	pc
Boise	51	37	c	44	29	sn	New Orleans	68	58	pc	73	63	sh
Boston	21	10	pc	33	19	s	New York City	31	15	s	38	26	s
Charleston, SC	60	36	s	63	44	s	Oklahoma City	63	49	pc	65	53	pc
Charleston, WV	41	24	pc	62	41	pc	Omaha	66	45	s	66	53	pc
Chicago	42	33	sn	54	48	c	Philadelphia	36	16	s	40	26	s
Cleveland	32	18	pc	50	41	pc	Phoenix	80	56	s	75	50	pc
Dallas	63	53	c	67	61	sh	Portland, ME	17	3	pc	30	9	s
Denver	68	38	pc	68	36	s	Providence	23	9	s	37	15	s
Detroit	34	23	pc	46	40	pc	Raleigh	52	28	s	53	31	s
El Paso	75	50	s	78	55	s	Rapid City	62	32	pc	67	35	pc
Fairbanks	8	-12	sf	4	-27	pc	Reno	53	35	c	40	26	sf
Fargo	45	29	pc	50	40	pc	Sacramento	60	44	r	56	38	r
Honolulu	82	70	sh	80	68	sh	St. Louis	68	46	s	64	52	c
Houston	66	59	r	72	64	r	Salt Lake City	60	43	pc	54	28	r
Indianapolis	47	31	sn	60	48	pc	San Diego	64	56	pc	63	52	sh
Jacksonville	67	46	pc	70	53	pc	San Francisco	60	47	r	55	44	sh
Kansas City	70	49	s	66	54	s	Seattle	46	35	r	42	34	sh
Las Vegas	76	53	s	67	43	pc	Tucson	81	53	s	78	45	pc
Little Rock	68	45	pc	61	53	sh	Washington, DC	42	22	pc	43	32	s
Los Angeles	68	54	pc	61	46	r	Wichita	66	49	s	68	55	c

Weather (W): s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, i-ice.