

March 1, 2022

The Honorable Richard Pan, M.D. Chair, Senate Health Committee 1021 O Street, Room 3310 Sacramento, California 95814

Re: SB 939 (Pan) – Prescription drug pricing. SUPPORT

Dear Dr. Pan and Committee Members,

On behalf of Health Center Partners of Southern California, representing 17 member organizations, including 12 Federally Qualified Health Centers, 4 Indian Health Centers, and Planned Parenthood of the Pacific Southwest, I would like to thank you for authoring SB 939 and respectfully request your "AYE" vote on SB 939 which will soon be heard by the Senate Health Committee. Members of this regional primary care association are the core of the regional health care delivery system, operating over 160 practice sites across five counties, serving 917,000 patients with 3.9 million patient visits annually, and generating \$2.2 billion in economic impact to the region and \$1.4 billion in savings to Medicaid.

Today, over 1,300 community health centers (CHCs) in California provide high-quality, comprehensive care to 7.2 million people in California each year – that is roughly 1 in 5 Californians. For decades, community health centers have provided care to everyone, regardless of their ability to pay, their immigration status, or their individual circumstances.

The 340B Drug Pricing Program is an essential source of support for CHCs. Allowing CHCs to purchase outpatient drugs at significantly reduced costs, facilitates the ability for the health centers to pass the savings on to their patients through reduced drug prices and invest additional savings to expand access and improve health outcomes.

Senate Bill 939 would prohibit discriminatory actions by pharmacy benefit managers (PBMs) and drug manufacturers when providing 340B drugs to CHCs and their patients. These important consumer protections are necessary to protect the remaining 340B savings for CHCs and their patients.

I firmly support SB 939 and respectfully request your "AYE" vote when it comes before you in committee.

Sincerely,

Henry N. Tuttle

President and Chief Executive Officer

www.HCPSOCAL.org

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CC: Senate Health Committee