

Laura Rizzo, SVP External Affairs, Denver Metro Chamber of Commerce  
Testimony against [SB21-175 Prescription Drug Affordability Review Board](#)  
Senate Health and Human Services Committee

I'd like to start by thanking Madame Chair and committee members for your consideration of this testimony. My name is Laura Rizzo and I submit this testimony on behalf of the Denver Metro Chamber of Commerce and our 3,000 members in opposition to Senate Bill 175, Prescription Drug Affordability Review Board.

We know that far too many Coloradans struggle with the cost of health care. We hear about it from our employers and their employees and feel strongly that we must explore more market-based approaches for curbing the costs of health care. We appreciate the intent of this bill: to cut health care costs, but believe the bill as written undermines the concept of our market, puts access at risk and establishes a precedent for rate setting that we do not support.

At the core of this bill stands price setting. We have heard from our members across the supply chain, including drug manufacturers, insurance companies, and hospitals, and this is the provision to which they have voiced the strongest opposition. Fixing prices typically distorts a market and doing this on a state-by-state basis is a dangerous move. In a worst-case scenario, patient access to drugs may be threatened if market distortions are too serious, or if drug-makers believe government price-setting in Colorado presents too great a risk to their business model for them to participate in our market. That presents an entirely new access problem for Coloradans. Federal action on issues around pharmaceutical affordability would be far less likely to create unintended distortions or gaps in patient access than would a state-by-state approach.

We oppose price setting – in any industry. And have serious concerns in this case about how “affordability” would be determined. Is a medication that changes the course and quality of a life affordable? How will research and development costs be considered? How are patient numbers factored in? The pricing of pharmaceuticals is a complex and technical process and leaving pricing decisions to a state board would cause us concern in any industry.

Transparency certainly has potential for reducing health care costs, and we applaud the efforts in this bill to increase transparency within this industry. We also support robust, thoughtful discussions and data analysis on the value of medicine, which can inform supply chain actors' decisions in a free market, as opposed to mandating such actions. We oppose this bill in its current form, but support the notion of increasing transparency when linked to clear consumer benefit across the health care industry. We would also support an amendment to remove the board's authority to mandate an upper payment limit.

Please join us in opposing Senate Bill 175.