



House Health Care Committee
Testimony in Support of HB 2010 -1 Amendments
Andrea Meyer, Director of Government Relations
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AARP Oregon supports HB 2010 (with the -1 Amendments), which advances the efforts to establish a health insurance public option by requiring a study and report for submission to the legislature by 2022 and a plan offered by 2024. AARP is the nation's largest nonprofit, nonpartisan organization dedicated to empowering Americans 50 and older to choose how they live as they age. With 503,000 members in Oregon, AARP works to strengthen communities and advocate for what matters most to families, with a focus on health security, financial stability and personal fulfillment.

Nationally, about 5.4 million older Americans ages 50-64 (and 75,000 in Oregon) relied on the individual health insurance market for their coverage in 2019. Our members need access to health care that is affordable. Older adults buying coverage in the exchange are charged up to three times higher premiums because of their age. And older adults are more likely to have chronic conditions. While those with lower or modest incomes have cost-sharing assistance, many older adults struggle with cost-sharing, even with coverage, because of high deductibles and high out-of-pocket maximums.

HB 2010 -1 Amendments will allow for a thoughtful, in-depth process to address the issue of health care coverage affordability. We appreciate that the report will look at options designed to reduce costs and improve affordability of premiums and other out-of-pocket costs, eliminate health disparities, and analyze, among other things, how to use the state purchasing power to reduce drug prices. Savings from lower drug prices could improve the financial health of participating plans and may be reflected in lower premiums and cost sharing required of beneficiaries. Any savings would also affect the state budget more broadly and may, therefore, have general tax and spending implications for the state. We suggest that the study look at allowing private insurers and employers to join in the bulk purchasing, in which case more consumers could benefit through lower co-pays and premiums.

Finally, we would urge that OHA and DCBS engage a variety of stakeholders, including consumers. We are confident it will help the state develop and maintain an option that effectively addresses consumer needs and wants.

AARP appreciates the opportunity to provide support and urges this committee to adopt the -1 Amendments and pass HB 2010.