

Chair Patterson, Vice Chair Hayden and distinguished members of the committee.

- Good afternoon, my name is Madonna McGuire Smith. I am from Corvallis, OR. I am the executive director of Pacific Northwest Bleeding Disorders, a nonprofit founded in 1963 by families living with hemophilia in Oregon and SW Washington.
- I apologize for joining you virtually today. I am in Washington DC for a legislative day with the National Hemophilia Foundation talking to our federal legislators about the same topic – counting all copays. We are working on a fix for this problem at a national level with legislation that covers all employer-based plans to help Oregonians with that type of health insurance.
- I am grateful for the opportunity to speak to you today about SB 565 on behalf of the Oregon All Copays Count Coalition.
- People with chronic illnesses, such as arthritis, asthma, cancer, diabetes, HIV, and hemophilia, have high medical expenses. Many of these patients rely on financial assistance to access their medicines.
- A copay assistance program is not a coupon. There is much confusion over coupons and copay assistance programs.
- Copay assistance programs are used to help cover the cost of really expensive medicines. There are often no generics for the medicines used by patients with chronic medical conditions - medicines absolutely necessary for these people to be able to live a full life. The kinds of medicines we're talking about are so expensive that often one or two doses causes the patient to hit their out of pocket max for the year.
- Here is a very good analogy of what is happening currently with 66.7% of the plans on the Oregon Market Place: Let's say a college student finds out from their college or university that they have a \$34,000 annual tuition and room & board commitment. The resourceful college student then goes out and gets \$24,000 in scholarships to help cover those costs. Then, the college or university says "we'll take your \$24,000 but because you didn't pay it out of your own pocket, because that money came from other sources, you still owe us \$34,000 – making the total paid for tuition and room and board costs \$58,000. This is exactly what is happening with many insurance plans and manufacturers copay assistance programs.
- It is time to have all copays, no matter where they come from, count towards out of pocket insurance costs.
- These insurance schemes force many patients to decide between rent, groceries, or their medicines.
- Recently, the AIDS Institute did a national study that shows that Oregon received a D grade for insurance plans on the Marketplace. The reason for the D grade is that **4 out of 6** plans in Oregon do not allow patient assistance to count toward out of pocket insurance costs – these practices harm vulnerable patients. Oregon has received a **D** for failing to protect patient assistance because **66.7%** of marketplace plans no longer allow copay assistance to count towards a patient's out of pocket costs.
- The AIDS Institute report states that "Millions of Americans (including Oregonians) endure long and expensive medical journeys to get the medications that best treat their needs. Copay accumulator adjustment policies and copay maximizer programs are schemes from insurers and pharmacy benefit managers (PBMs) that prevent patient assistance funds from counting toward a patient's out-of-pocket maximums, or deductibles. These policies undermine patient access to life-saving prescription drugs, making it more difficult for people living with serious, complex, chronic illnesses to adhere to a treatment plan."
- We ask you, on behalf of the more than 2 million Oregonians impacted by a chronic condition, to please support SB 565.
- Thank you so much for your time today. I appreciate your efforts to help Oregonians be able to afford their medications.

