



March 8, 2023

Delivered orally

Chair Patterson, Vice-Chair Hayden, and committee members:

Interim Chief Executive Officer
Emily Gilliland

For the record, my name is Jonathan Frochtzwaig; I'm the Public-Policy Manager for Cascade AIDS Project, or CAP. Founded in 1985 as a grassroots response to the AIDS crisis, CAP is now the largest provider of HIV services in Oregon.

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I am testifying on behalf of CAP in support of Senate Bill 565. There are few generic, and therefore affordable, HIV treatment medications. This means that many, if not most, people living with HIV rely on overpriced brand-name drugs. For some, the only way they can afford their meds is by using co-pay assistance to reach their annual deductible and out-of-pocket maximum. Insurance plans that limit the use of co-pay assistance for drugs with no generic equivalent put people living with HIV at risk of not being able to afford their meds, of getting sick, and—because HIV is an infectious disease—of transmitting the virus to others.

Insurers say that co-pay assistance limits are needed to prevent members from choosing brand-name drugs over generic equivalents. Fortunately, SB 565 only prohibits these limits when there is *not* a generic equivalent available, or when a member has gone through the insurer's utilization-management process. In other words, if this bill passes, insurers will still be able to limit co-pay assistance for brand-name drugs with a generic equivalent, and insurers will still be able to use utilization-management techniques to keep members on lower-cost alternatives.

The truth is, co-pay assistance limits are a weapon in a battle between insurers and pharmaceutical manufacturers over inflated drug prices. The problem is, the only real casualties in this battle are people who depend on expensive prescription drugs, including people living with HIV. In fact, insurers actually make *more* money from enrollees when they limit co-pay assistance. There are many tools available to our community for reducing drug prices, whether we have the political will to use them or not—from upper payment limits to public production of generics. Co-pay assistance limits are not a fair tool in that toolbox. We hope that you will follow the example of Washington, Illinois, and many other states by banning these limits. Thank you for listening.



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