

**Testimony Submitted by
Chris Coughlin, Policy Director
Oregon Consumer Justice**

To the House Committee On Behavioral Health and Health Care

5/8/2023

Regarding: Support for SB 608A -A2

Chair Nosse, Vice-Chairs Goodwin and Nelson, and members of the committee,

For the record, my name is Chris Coughlin, and I appreciate the opportunity to testify on behalf of Oregon Consumer Justice today in support of the proposed -A2 amendment to SB 608A.

Oregon Consumer Justice (OCJ) organizes, advocates, and supports litigation to advance a justice movement that puts people first, ensuring all have the freedom to thrive and equitably share in our abundance of resources. For too long, flawed systems and economic policies that favor profits over people have stood in the way of this reality, with communities of color most often experiencing the most significant harm. Strengthened through responsive and reciprocal community relationships, OCJ is building a future where financial and business transactions can be relied upon as safe and where all Oregonians know and have recourse to exercise their consumer rights.

Co-pay assistance limits, also called "co-pay accumulators," are rules in some private health insurance plans that stop healthcare consumers from using co-pay help from drug companies to meet their yearly deductible. Normally, people can use co-pay help to pay for their part of the cost until they reach their deductible. After that, the insurance company covers the cost of the medicine. But with co-pay assistance limits, consumers can still access help from companies to pay part of the cost that they are responsible for, but it doesn't count toward the consumer's deductible. When the assistance ends, usually at the point the deductible should

be met, consumers do not receive the benefit of insurance, but have to pay their co-pay themselves. Often, they don't end up paying enough to ever meet their deductible.

We understand that the intention of these limits is to prevent manufacturers from persuading people to pick more expensive prescription drugs by providing co-pay assistance. However, these limits can create difficulties for people with chronic illnesses, who may not have equivalent generic or other less expensive drug options available to them. In many cases, co-pay assistance is the only feasible way for these individuals to afford the medication that their medical providers have prescribed.

In a recent article by the Aids Institute, four out of the six health plans in Oregon who were reviewed do not include patient assistance programs in their coverage calculations¹. This practice can be concerning and have a significant effect on communities dealing with HIV, cancer, and other chronic illnesses.

With the -A2 amendment, SB 608 would prohibit insurers from limiting co-pay assistance when an enrollee is using the assistance for:

- a drug that has no generic equivalent
- a drug for which the enrollee has gotten prior authorization (i.e., demonstrated medical need)

As we navigate the complex issue of rising drug prices, it's critical that we don't lose sight of the immediate needs of those living with HIV and other healthcare concerns. This crucial legislation provides essential relief for consumers caught in the middle of the ongoing struggle between insurance companies and Big Pharma. It's time for policymakers to prioritize the needs of patients and take action to ensure that they have access to the medications they need to maintain their health and wellbeing.

Thank you for your consideration and your service to Oregon's communities.

¹ The AIDS Institute "Discriminatory Copay Policies Undermine Coverage for People with Chronic Illness, 2023" accessed at <https://aidsinstitute.net/documents/TAI-Report-Copay-Accumulator-Adjustment-Programs-2023.pdf>.

