

Chair Nosse, Vice Chairs Goodwin and Nelson 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 bleeding disorders in Oregon and SW Washington.
- I am grateful for the opportunity to speak to you today on behalf of the Oregon All Copays Count Coalition about the -A2 amendment to SB 608. Our coalition has more than 25 organizations in support of the bill and amendment.
- 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.
- Copay assistance programs were introduced a few years ago to help cover the cost of really expensive medicines – medicines you cannot get from a store front pharmacy. 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 a large number 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 room & board and tuition cost. The resourceful college student then goes out and gets financial assistance – \$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, you still owe us \$34,000" – making the total paid for tuition and room & board costs \$58,000. This is exactly what is happening with many insurance plans right now in Oregon. My own family has been subjected to this insurance scheme and they collected \$90,000 from manufacturers copay assistance plans and we still owed our out of pocket max of \$5,000, making the total they collected \$95,000, waaaay more than the \$5000 that was required by insurance originally. These insurance schemes force many patients to decide between rent, groceries, or their medicines.
- It is time to have all copays, no matter where they come from, count towards out of pocket insurance costs. Seventeen other states, the territory of Puerto Rico and the District of Columbia have already banned this practice – it is time for Oregon to do the same.
- 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** companies on the Oregon Marketplace do not allow patient assistance to count toward out of pocket insurance costs.
- You will hear arguments that premiums will go up if the practice is banned in Oregon. The practice has been happening in Oregon for several years and insurance premiums have increased every year. You will hear that it keeps people off of generics – the -A2 amendment takes care of that and only applies to medicines that have no generics.
- I have submitted, as written testimony, several reports recently conducted that indicate little impact on insurance costs and the AIDS Institute report I mentioned earlier.
- We ask you, on behalf of the more than 2 million Oregonians impacted by a chronic condition, to please support SB 608 and the -A2 amendment.
- Thank you so much for your time today. I appreciate your efforts to help Oregonians afford their medications.