

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

To the House Committee On Behavioral Health and Health Care

2/7/24

Regarding: Support for HB 4113

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 HB 4113.

Oregon Consumer Justice (OCJ) is a nonprofit consumer advocacy organization committed to advancing a justice movement that puts people first through policy, community engagement, and the law. We believe all should be free 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 cover 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, while consumers can access drug companies' help to pay their share of the cost, that paid amount isn't counted toward the consumer's deductible. When the co-pay assistance ends—usually at the point that the

deductible should be met—consumers who should be receiving the benefits of their insurance, are instead left to cover co-pays to try to reach their deductible themselves. Often, they never end up paying enough to 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 2023, [The Oregonian](#) reported that 70% of Oregon patients fail to fill their prescriptions when out-of-pocket costs exceed \$250. In a time of high national inflation rates, the share of Oregonians impacted grows daily. 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 an article by the Aids Institute, four out of the six health plans in Oregon that were reviewed do not include patient assistance programs in their coverage calculations¹. This is concerning, as recent [data](#) reports that 88% of Oregonians use co-pay assistance to pay for drugs with no lower-cost generics. This practice can have a significant effect on communities dealing with HIV, cancer, and other chronic illnesses and be disproportionately felt by low-income and BIPOC communities.

HB 4113 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, we can'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 ongoing struggle between insurance companies and Big Pharma. It's time for policymakers

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>.



to prioritize the needs of patients and take action to ensure they have access to the medications they need to maintain their health and well-being.

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