

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 HB 4113. Our coalition has more than 35 organizations in support of the bill.
- People with chronic illnesses, such as arthritis, asthma, cancer, diabetes, HIV, and hemophilia, have incredibly high medical expenses. Many of these patients rely on financial assistance to access their medicines.
- Copay assistance programs were introduced more than 15 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.
- Many people with chronic disease are on a fixed income, this patient assistance is the only thing keeping them on their life saving medicines. If they aren't able to afford their medicines they have to go to the ER for their care and to get their medicines covered. An ER visit is so much more expensive for the health care system. The other alternative is to stop taking their medicines which leads to long term, expensive care that is so much more expensive than just letting the patient apply their financial assistance to their out of pocket costs.
- It is time to have all copays count – no matter where the money comes from, it needs to count towards out of pocket insurance costs. Nineteen 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.
- 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 owe \$34,000 annually for room & board and tuition costs. 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 collected for tuition and room & board \$58,000. That is what is happening with copay accumulator programs in Oregon.
- You will hear arguments that premiums will go up if the practice is banned in Oregon. Recently, The AIDS Institute did a study that analyzed annual premium changes in states with copay accumulator adjustment bans and those without. They found no evidence that enacting a copay accumulator adjustment ban had a meaningful impact on average premiums. In fact, in many of the states the average insurance rates actually dropped after the ban was enacted. Rates went up in Oregon and copay accumulators are currently legal in Oregon.
- We ask you, on behalf of the more than 2 million Oregonians impacted by a chronic condition, to please support HB 4113.
- Thank you so much for your time today. I appreciate your efforts to help Oregonians afford their medications.