

Testimony on SB 535 Fertility Coverage Mandate

April 1, 2025

Chair Patterson and Members of the Committee,

My name is Mary Anne Cooper, and I am the Oregon Director of Public Affairs and Government Relations at Regence BlueCross BlueShield of Oregon. As one of the state's largest health insurers, Regence is committed to addressing both persistent and emerging health needs for the nearly 1 million Oregonians we serve. In keeping with our values as a tax-paying nonprofit, 90% of every premium dollar goes to pay our members' medical claims and expenses.

Regence deeply empathizes with individuals and families facing fertility challenges. We know this is an incredibly difficult struggle for many Oregonians. With that in mind, we would like to share our concerns about this proposed mandate. Unlike traditional coverage mandates, this bill presents unique complications that could significantly increase costs for all Oregonians. As we strive to make health care more affordable and accessible, we must carefully consider how this mandate's structure and scope could impact overall costs and could create uneven access to these services across the state.

This mandate poses significant cost implications. Our analysis determined it would increase costs by roughly \$2.50 to \$4 PMPM, for a total of \$3.5 to \$4 million to our fully insured plans, directly impacting member premiums. While this cost may seem insignificant to some, when paired with the costs of other new mandates and overall health care inflation, this bill is proposing to significantly increase insurance rates at a time when members can least afford it and when the State has determined that insurer's cost growth rates cannot exceed 3.4% annually. This target leaves insurers very little room to expand coverage without penalty. The increased costs associated with this mandate will also result in higher copayments, deductibles, increased service exclusions, pharmacy exclusions, and other policy changes to accommodate the new mandate.



SB 535 doesn't adequately address current inequities in accessing care and therefore is not meeting the bill's original goals. As drafted, the bill doesn't mandate coverage for those on the Oregon Health Plan (OHP) even though the state is able to include OHP in their coverage mandates. By excluding OHP from this mandate, this would leave only 20% of Oregonians eligible for fertility coverage with significant premium increases added to their health plans.

We also note that while the bill would require commercial insurers to cover these expensive fertility benefits, the Oregon Educators Benefit Board (OEBB) plan does not include such coverage, and we understand that this mandate would require such coverage despite ongoing affordability challenges at a time when the state cannot afford it.

Additionally, some of the bill's coverage could unnecessarily increase costs without improving patient outcomes. For example, the current language could require coverage of investigational treatments such as preimplantation genetic testing for aneuploidy or PGT-A, a type of embryo biopsy that lacks proven clinical benefit. PGT-A will significantly increase the costs of IVF while current clinical evidence does not demonstrate that this embryo biopsy procedure will improve live birth rates and reduce miscarriages.

Lastly, there are technical issues within the bill's structure that could lead to increased costs and complicated implementation challenges while potentially compromising established quality care standards.

- The bill appears to mandate coverage for transfer of embryos to gestational carriers who are not our plan members—a legally problematic requirement that conflicts with fundamental insurance principles.
- The bill's restrictions on step therapy would eliminate an important tool that helps ensure appropriate, cost-effective medication use.
- The language around unspecified length of storage of reproductive specimens could leave insurers liable for specimens that have no intended use in the future.

We want to reiterate that we are sensitive to the struggles of those experiencing the challenges and heartbreak of infertility. We urge the



200 SW Market Street, 11th Floor
Portland, OR 97201

State to undertake a more thoughtful and collaborative discussion with health plans before moving a fertility policy forward and encourage the State to follow Washington in undertaking a comprehensive study that would look at the impacts of insurance rates with this mandate before moving anything forward this session.

Respectfully,

Mary Anne Cooper
Director of Public Affairs and Government Relations
Regence BlueCross BlueShield of Oregon