



PacificSource Testimony in Opposition to SB 93

Chair Monnes-Anderson and members of the Senate Health Committee, thank you for the opportunity to provide comment on SB 93. PacificSource is an independent, not for profit health plan, based in Oregon. We serve commercial, Medicaid and Medicare lives and are the contracted Coordinated Care Organization (CCO) in Central Oregon and the Columbia River Gorge. We're engaged in the far-reaching changes underway and have been actively involved in advancing the state's goals toward better health, better care and lower costs.

We believe SB 93's requirement to reimburse up to a 60-day supply of a prescription drug, creates unintended consequences that will serve to drive up healthcare costs. If passed, patients will be likely to receive a 60 day prescription for a new medication, without knowing whether or not they are able to tolerate it and with the outcome of leaving a lot of medication unused. In addition, patients who are transitioning off a health plan, or Medicaid recipients who experience frequent churn, are likely to fill 60 day supplies just before the termination date, leaving the health plan with higher costs and no additional premium dollars coming in.

Currently, supply limit guidelines are largely consistent. If SB 93 passes, health plans will need to configure these guidelines differently by benefit and state. All of these concerns result in increased costs that will ultimately be felt by the consumer in the way of premium increases. SB 93 creates down-stream effects that we believe are in conflict with the state's goals for reigning in healthcare costs.

Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Ken Provencher".

Ken Provencher,
President and CEO, PacificSource