

Written Testimony of Kim Lowry,
On behalf of the Arthritis Foundation, Great West Region
Regarding HB 2951: Prescription drug coverage costsharing requirements
Before the House Health Care Committee, March 16, 2015

Representative Greenlick and Honorable Members of the Committee,

My name is Kim Lowry, and I am a staff member with the Arthritis Foundation in Oregon.

The Arthritis Foundation, Great West Region works on behalf of the 782,000 adults and 3,400 children in Oregon with doctor-diagnosed arthritis. We champion the fight to conquer the nation's leading cause of disability and find a cure for arthritis through life-changing information, advocacy, science and community.

The Arthritis Foundation strongly supports limiting out-of-pocket spending by consumers for medication by placing spending caps on monthly out-of-pocket costs.

The use of biologics has revolutionized the treatment of rheumatoid arthritis because they stop the joint destruction that can lead to permanent disability. My family knows what this means in real life – my son has a rheumatic condition and relies on one of these medications to keep his arthritis in check.

Over the past several years, insurers have shifted costs for expensive specialty medications, such as the biologics used to treat rheumatoid arthritis, from the plan to the consumer in their attempts to control costs. Insurers have used benefit designs that include placing some or all these expensive medications on the highest tier with the highest co-pay or co-insurance. Biologic medications used to treat rheumatoid arthritis, for example, can range from \$15,000-50,000 or more. Co-insurance or a percentage of the total cost of the medication that the consumer must pay can range from 25-50% - that can work out to thousands of dollars in the months before a deductible is met.

The assumption seems to be that taking these medications is a choice, and that patients should choose cheaper medications. But when cheaper medications fail you – or your child – and the options are pain and disability and pain or retaining the ability to walk, work, attend school and participate in civic life.

Unfortunately, the cost of these medications has been shifted so far that they often force a choice between treatment and medical debt. Higher levels of cost sharing are associated with higher rates of non-adherence. Studies suggest that when monthly out-of-pocket costs exceed \$150-200, rates of therapy abandonment double.¹ Compounding the issue is high deductible plans where consumers must first meet the deductible before getting access to the medication, requiring hundreds and even thousands of dollars at the beginning of the plan year.

A monthly cap on per-drug spending creates certainty for thousands of families like mine that the Arthritis Foundation serves here in Oregon. Most people with rheumatic conditions have a host of expenses and will hit their annual out of pocket max regardless of whether there is a cap. This bill will help patients plan for our drug costs and spread spending out across the year, providing help now for Oregonians whose lives and physical well-being depend on these drugs.

Thank you for your consideration of this bill.

¹Gleason OO, Starner CI, Gunderson BW, et al.: Association of prescription abandonment with cost share for high-cost specialty pharmacy medications. J Manag Care Pharm. 2009; 15: 648-58.