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OREGON STATE SENATE
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Testimony on SB 933
Senator Rod Monroe
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The proposed legislation, SB 933, will allow retail stores to set their own price for prescription contact lenses, encouraging market competition.

In the past year, all four major contact lens manufacturers launched what they call a Unilateral Pricing Policy (UPP), which sets a minimum resale price that all retailers must comply with when selling contact lenses. The effect of UPP has been a significant price increase to consumers and the elimination of price competition among retailers.

Contacts are different than iPhone and other products where consumers can choose lower priced options. Vision care covers a dollar amount, unlike typical health insurance that covers a percentage. Contacts can't be purchased without a prescription, which includes the exact brand and model you must buy, and cannot be substituted. Once prescribed, a patient cannot switch brands without paying for another fitting.

This means that increased costs are paid entirely by the patient. Oregon consumers will have to pay an estimated 13.7 million addition each year with an expansion and continuation of UPP on contact lenses.

Prior to UPP, price sensitive consumers were able to seek discounts and other added value, such as convenience and service, when purchasing their contact lenses. There are currently 14 consumers' class action lawsuits alleging damages from UPP across the country.

The proposed legislation would prohibit contact lens manufacturers from engaging in UPP or any other practice that limits consumer choice or retail competition.

In addition, there are many supporters for this bill including the Northwest Grocery Association, Costco, 1800 Contacts, Consumers Union and numerous constituents.

I urge your aye vote.

