



Sent via email: zena.rockowitz@state.or.us, derek.sennes@state.or.us

The Honorable Laurie Monnes Anderson
Chair, Senate Committee on Health Care
Oregon Senate
900 Court Street NE
Salem, Oregon 97301

RE: H.B. 3530

Dear Senator Monnes Anderson:

I am writing on behalf of the United Food and Commercial Workers Union (UFCW) Local 555 in opposition to H.B. 3530. UFCW Local 555 opposes H.B. 3530 because the bill bans a number of contractual arrangements between vision plans and providers, enabling optometrists to deny benefits to our members and raise their costs. United Food and Commercial Workers Union Local 555 represents over 20,000 workers in Oregon and Southwestern Washington. Our membership is comprised of workers in retail, manufacturing, health care, and many other industries. Our local is chartered by the UFCW International Union, joining us with over 1.3 million workers across the United States and Canada.

UFCW Local 555 negotiates directly with our vision plan to secure the best possible cost and choice in vision options for our members. H.B. 3530 would impose unnecessary out of pocket costs on our members. Vision Plans and Vision Provider Networks negotiate specifically with providers to determine reimbursement rates for discounts on materials on behalf of their enrollees. Our members benefit from discounts when they purchase materials from their network optometrist. In exchange for the discount our members are directed specifically to them as network providers. These benefits are popular with our members because providers frequently mark-up the retail price for materials from 200% to 400% of the wholesale price.

H.B. 3530 limits the ability of our vision plan to negotiate these discounts for our members. Prohibiting negotiated discounts on materials for providers within a network will create higher prices for our members and would result in pricing differences for materials from one in-network provider to the next. This will confuse the value proposition to our members and lead increasingly to the separate purchase of materials and services.

In conclusion, UFCW Local 555 urges the committee to oppose H.B. 3530 as it is currently written. H.B. 3530 creates an environment where consumers will now pay higher prices and out of pocket expenses with no plan protection. If you have any questions, please do not hesitate to contact me at 503-684-2822.

Respectfully,

Jeff Anderson
Secretary-Treasurer
UFCW Local 555

JA/srh

cc: Members of the Senate Committee on Health Care