

Submitted Via Email

February 17, 2017

The Honorable Laurie Monnes Anderson
Chair, Senate Committee on Health Care
Sen.LaurieMannesAnderson@oregonlegislature.gov

The Honorable Jeff Kruse
Vice-Chair, Senate Committee on Health Care
Sen.JeffKruse@state.or.us

Re: Letter of Support of SB 272

On behalf of the Cascade AIDS Project (CAP) and the nearly 7500 individuals living with HIV in the state of Oregon as well as the broader LGBTQ+ community, I respectfully request your support for SB 272 addressing Prescription Coverage Transparency and Continuity of Care. CAP supports this measure as it addresses one of the most vexing problems facing chronic disease patients with complex healthcare needs—the impenetrability of drug formularies and mid-year plan switching.

Consumers attempting to choose a marketplace plan based on coverage and cost of their needed drugs, will likely find the process of finding formularies, verifying coverage, and determining cost-sharing burdensome in most cases, and impossible in other cases. Even after a patient buys a plan that covers their needed medications, they can't be sure the drug will continue to be covered at a cost they can afford, throughout the plan year.

SB 272 addresses both of these issues by increasing prescription coverage transparency and requiring that insurance carriers honor the contract regarding access to prescription drugs during the plan year. Both measures are important consumer protection strategies that empower patients to be smart consumers and provide them with the assurance that once they have selected a plan that it will be honored for the duration of the plan year.

Comparing plans based on coverage of certain medications and likely out-of-pocket costs for drugs is a significant challenge facing consumers. Additionally, this is a problem when plans place drugs on the highest cost-sharing tier, which generally requires coinsurance rather than a flat copayment. Coinsurance does not provide consumers with any estimate of their out-of-pocket costs, as the negotiated drug price on which coinsurance is based is not shown. If a patient is forced to choose a plan without knowing whether their needed drugs are

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Tyler TerMeer

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covered at a cost they can afford, they are much more likely to face access and affordability barriers to treatment.

Likewise, mid-year switching presents an additional barrier to patient access to affordable life-saving medication. If a patient is able to find a plan best for their medical and affordability needs, patients are left vulnerable to carriers adjusting medication coverage mid-plan year. Currently, nothing prohibits carriers from removing a medication from a formulary or moving a medication to a higher cost-tier. As a result, patients may have trouble accessing medications which were covered when they purchased their plan. These mid-year benefit changes are fundamental unfair to consumers who chose and pay for plans only to have them changed without warning and with no recourse.

For the forgoing reasons, we urge you to support SB 272.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Tyler G. TerMeer". The signature is fluid and cursive, with the first name "Tyler" and last name "TerMeer" clearly legible.

Tyler TerMeer
Executive Director
Cascade AIDS Project

CC: The Honorable Lee Beyer
The Honorable Tim Knopp
The Honorable Elizabeth Steiner Hayward
The Honorable Lew Frederick