



Oregon School Employees Association

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Chair Greenlick and Members of the Committee:

My name is Tyler Shipman. I am a government relations specialist with the Oregon School Employees Association (OSEA). Our association represents over 21,000 education employees across the state, including K-12 public schools, education service districts (ESDs), community colleges, Head Starts, park and recreation districts and libraries. I am appearing today on behalf of OSEA to speak in support of House Bill (HB) 2387.

Health benefits have traditionally been one of the best incentives for encouraging people to choose a career in education. Unlike members of the public, our school employees are only able to receive insurance through the Oregon Education Benefit Board (OEBB). The Legislature has asked OEBB to increase their costs at no more than 3.4 percent per year yet, the costs of prescription drugs through PEBB increased 34 percent from 2013 to 2015. These price increases will inevitably decrease the quality of health care that our members are able to receive.

The health benefits that schools provide are an important incentive for attracting quality employees. Many school employees continue to work in education to receive a contribution towards their insurance premiums. Some employees do not receive a monthly contribution that fully covers their insurance premiums so they pay the rest out of pocket to maintain coverage. As costs of prescription drugs increase, the quality of our member's health insurance will decrease. As the quality of health insurance decreases and the price of their insurance increases and we are worried that employees will be left with no way to receive quality health care.

Rapidly increasing prescription drug prices is an issue that must be addressed. When prescription drug prices become too high our members are not able to pay for life saving drugs that they desperately need. OSEA supports House Bill (HB) 2387 because it is a comprehensive approach to solving the prescription drug cost problem that our members need now.