

3/17/2017

The Honorable Laurie Monnes Anderson Chair, Senate Committee on Health Care

Sen.LaurieMonnesAnderson@oregonlegislature.gov

The Honorable Jeff Kruse

Vice-Chair, Senate Committee on Health Care

Sen.JeffKruse@state.or.us

Re: Letter of Support of SB 526

Dear Chairwoman Monnes Anderson, Vice-Chair Kruse and Members of the Committee,

Cascade AIDS Project appreciates this opportunity to express support for SB 237, which seeks to create consumer protections that ensure that patients living with chronic and life-threatening conditions have affordable, predictable out-of-pocket costs for the treatments they need. SB 237 applies the following requirements to state-regulated individual and group insurance plans:

- Each carrier must ensure that a pre-deductible copay is applied to the entire prescription drug benefit in at least 25% of individual and group plans offered in each service area and on each metal tier
- This copay-only benefit design must be reasonably graduated and proportionately related across all tiers of the plan's formulary
- If a carrier offers only one plan in a given metal level within a service area, that one plan must meet the requirements described above

As the oldest and largest AIDS Service Organization in Oregon, Cascade AIDS Project (CAP) represents the nearly 7500 Oregonians living HIV. For our clients, staff and volunteers, HIV prescription medication is a critical part of a non-negotiable daily regimen that ensures their continued health. In the United States the average cost of HIV medication can be upwards of \$23,000 per year¹. While no HIV positive individual is likely to pay the full amount of a year's worth of medication out of pocket, we do know that increased patient cost sharing results in decreased medical adherence and more frequent drug discontinuation², while cost sharing reductions are associated with improved adherence³. For an HIV positive individual with even a 35% medication co-insurance and high deductible, we can safely assume them will consistently meet their yearly deductible.

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 $^{^1\,}https://aidsinfo.nih.gov/contentfiles/lvguidelines/glchunk/glchunk_459.pdf$

² Goldman DP, Joyce GF, Zheng Y. Prescription drug cost sharing: associations with medication and medical utilization and spending and health. JAMA. 2007;298(1):61-69. Available at http://www.ncbi.nlm.nih.gov/pubmed/17609491.

³ Maciejewski ML, Farley JF, Parker J, Wansink D. Copayment reductions generate greater medication adherence in targeted patients. Health Affair. 2010;29(11):2002-2008. Available at http://www.ncbi.nlm.nih.gov/pubmed/21041739



Again, Cascade AIDS Project urges your support for the important consumer protections outlined in this bill which will ensure that all Oregonians are able to have affordable, predictable out-of-pocket costs for the treatments they need.

Thank you for your time and consideration.

Sincerely,

Tyler TerMeer Executive Director Cascade AIDS Project

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

Executive Director

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