



February 17, 2017

Honorable Senator Laurie Monnes Anderson, Chair
Senate Committee on Health Care
Oregon State Capitol
Salem, OR 97301

RE: SB 272 - Support

Dear Senator Monnes Anderson,

The Arthritis Foundation urges your support of Senate Bill 272 when it comes before your committee. Senate Bill 272 seeks to improve transparency by requiring a carrier to make specified information about prescription drug formularies available on the carrier's website and through toll-free telephone number. In addition, SB 272 seeks to improve continuity of care by prohibiting carriers from making changes to their prescription drug formularies more than once every year unless based on alert issued by U.S. FDA.

Formulary transparency makes it easier for those with serious conditions to choose a plan that will cover the prescription drugs and therapies they need. People with substantial prescription drug needs – especially those living with chronic conditions such as rheumatoid arthritis – must be able to access this information so they can select the most fitting health insurance plan.

In addition, insurance plans sometimes change the available benefits of a policy and coverage of medications, imposing new utilization management practices, increasing cost sharing obligations and making other changes that can have a negative impact on an insured. Senate Bill 272 simply requires that the pharmacy benefits available when a health insurance plan is purchased cannot become more restrictive during the one-year life of the plan. Insurers can add drugs, including generics, at any time.

When selecting a health insurance plan, many people with chronic conditions make their decision after carefully weighing a complex variety of factors, including plan cost, medication formulary costs, cost sharing, the availability of specialists and the choice of hospitals. An insurer unilaterally changing its coverage while requiring an insured to stay in the plan is tantamount to a "bait and switch" technique and is adverse to the interests of people with arthritis. Without continuity of care, patients with chronic diseases, such as rheumatoid arthritis, may lose their ability to live productive and healthy lives.

On behalf of the more than 838,000 adults and 3,400 children in Oregon living with arthritis, we strongly urge your support of SB 272 to ensure patients have continuity of care and formulary transparency.

Sincerely,

A handwritten signature in black ink that reads "Steven Schultz".

Steven Schultz
Legislative Analyst
(916) 340-0733
sschultz@arthritis.org

cc:

Sen. Jeff Kruse, Vice Chair
Members, Senate Committee on Health Care