



Service Employees International – Oregon State Council

6401 SE Foster • Portland, OR 97206

503-235-5141 • Fax: 503-408-4099

TO: House Committee on Health Care

FR: Service Employees International Union – Oregon State Council

DA: February 5, 2018

RE: Testimony in support of HB 4005

Chair Greenlick and Members of the Committee:

On behalf of the more than 70,000 public and private sector workers represented by SEIU local 49 and 503, we urge your support of HB 4005. Many SEIU members continue to struggle to afford health care for themselves and their families, especially the prescription drugs that they rely on to stay healthy, continue working, and provide for their families.

Oregonians today are paying more at the pharmacy, consumers experience higher insurance premiums, and employers choose to push a higher cost burden onto workers, decreasing their access to life-saving drugs. HB 4005 will provide much needed transparency and give the pharmaceutical industry the opportunity to explain the justification behind price increases, the profitability of their drugs, whether there are generics available and what the price is in other countries.

Our members want to know why the price for their insulin has increased 300% over the last 10 years. They deserve to know why between 2008 and 2015 there has been a 1000% price increase on more than 400 generic drugs. And pharmaceutical manufacturers should be clear with working families why they charge 50% less for their medications in other industrialized countries.

Additionally, cities, counties, school districts and public safety budgets are feeling the squeeze of skyrocketing price increases, even for older drugs that have been on the market for years. From 2014-15, costs experienced by PEBB for specialty medications increased 28.4%, and costs for brand prescriptions rose 16.3%, even while the number of brand drugs prescribed went down 5.4%. This is not sustainable and if left unchecked will continue to undermine our state's goal of keeping cost growth to 3.4% for PEBB.

HB 4005 will finally shed some light on what is behind these steep price increases on prescription drugs that are impacting not only SEIU members, but all Oregonians.

Prescription drugs have saved lives, improved the quality of life and are an important part of staying healthy for millions of Oregonians. But when prescription drug prices become too high our members are not able to pay for life saving drugs that they desperately need. We urge your support for HB 4005.

Felisa Hagins, SEIU Local 49

Stacy Cowen, SEIU Local 503