February 21, 2019

The Honorable Mitch Greenlick, Chairman House Committee on Health Care Oregon House 900 Court St NE Salem, OR 97301

Re: House Bills 2753, 2754, 2755 - Support

Dear Representative Greenlick and Members of the Committee:

Moda Health is submitting this letter in support of House Bills 2753, 2754 and 2755 -- bills that will help payers and consumers manage the ever increasing cost of prescription medication.

Moda Health is a Northwest-based health insurer providing dental, medical and pharmacy insurance and administrative services in Oregon, Washington and Alaska. Moda Health takes pride in the diversified range of clinical and pharmacy cost management services and strategies we deploy on behalf of the more than 1.2 million individuals in the Pacific Northwest for whom we provide prescription drug coverage. We are the administrator for Oregon's Prescription Drug Program (OPDP), which includes over 200,000 members enrolled in the Oregon Educators Benefits Board (OEBB), Public Employee Benefits Board (PEBB), SAIF, Eastern Oregon Coordinated Care Organization, and other self-insured and government programs statewide, as well as over 300,000 under- and uninsured residents who benefit from the preferential drug prices that the OPDP discount card has made possible. Moda Health has been a proponent of initiatives to bring better transparency to the factors effecting prescription drug costs and is supportive of increased requirements that will open the door to lower cost prescription drug options when they are available.

Oregonians are faced with ever-increasing prescription drug costs which continue to take a larger share of overall health care spending. Without policies that provide support for lower cost options we can expect that more of our scarce health care dollars will be used to fund large pharmaceutical companies and their prescription drug price increases. These bills provide Oregonians with resources that can help available health care dollars go farther.

Moda Health supports these bills because we believe that we must go beyond the transparency initiatives that have recently been established and create actionable legislation that empowers our pharmacies to select therapeutically equivalent and lower cost options for Oregonians. Encouraging the use of lower cost generic drugs or interchangeable biosimilar medications makes good health care sense and will benefit all Oregonians, by lowering drug costs and helping extend crucial healthcare dollars.

Moda Health has a long history of working collaboratively with pharmaceutical industry partners





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to bring innovation and value to Oregonians. In a period of cost management and global budgets, equipping our pharmacies with the ability to make decisions to shift to therapeutically equivalent lower cost drug options will help everyone achieve health outcomes cost effectively.

For these reasons, Moda Health supports passage of HBs 2753, 2754, 2755.

We appreciate the opportunity to comment on this bill. If you have any question, please do not hesitate to contact me at robert.judge@modahealth.com, or (503)265-2968.

Sincerely,

Robert Judge Director of Pharmacy Services





