



February 25, 2019

House Committee on Health Care
Oregon State Legislature
900 Court St. NE
Salem, Oregon 97301

Re: Support for HB 2799

Dear Chairwoman Salinas and Members of the Committee,

The Leukemia & Lymphoma Society (LLS) writes to you today to urge your support for House Bill 2799, which seeks to improve access to more affordable and transparent coverage for medications.

Increasingly, insurers are requiring consumers to pay a percentage of the total cost of their medications, a type of cost-sharing known as coinsurance. Indeed coinsurance is very common in Oregon, especially where it concerns the specialty medications that are critical to the treatment of life-threatening diseases and conditions. In 2017, for example, every plan sold on the Oregon health insurance exchange that year required consumers to pay at least 48% of the cost of any drug listed in the two highest tiers of the formulary. A coinsurance of that amount can translate to thousands of dollars in out-of-pocket costs for patients.

Making this problem even worse is the growing prevalence of high deductibles: nationwide, the average combined deductible in silver plans this year is \$3,922.¹ Taken together, these benefit designs require patients to pay high upfront costs in order to access the treatment that offers the greatest potential medical benefit. When cost-sharing becomes a barrier to access, patients do not use their medications appropriately, skipping doses in order to save money or abandoning a treatment altogether.

A version of this legislation has been filed in several previous sessions of the Oregon State Legislature. In an effort to address insurer concerns that were raised last session, a coalition of consumer and patient advocacy organizations worked with those insurers, along with state legislators and regulators, via a stakeholder process to arrive at a solution amenable to all. HB 2799 is the result of that extensive stakeholder process, and LLS is confident that it offers a strong path forward.

HB 2799 includes several provisions that will ensure consumers have accurate and transparent information so they can make informed decisions about their health insurance coverage. With regard to its direct and positive impact on patients, this bill will:

- ***Ensure that the out-of-pocket cost for any one prescription is manageable***
HB 2799 requires that at least 25% of the plans they offer in each metal tier have a “copay-only” pharmacy benefit structure. Copays, relative to coinsurance, typically translate to



amounts that are more manageable for patients. This will almost certainly be the result in Oregon, where coinsurance is typically very high.

- ***Eliminate the shock of a high, upfront deductible***
HB 2799 requires that the above mentioned copays be exempt from any deductibles. This ensures that patients are able to access their medications without having to first pay a significant portion of their healthcare costs upfront at the beginning of the year.
- ***Guarantee that patients can plan financially for the care they will need***
Because HB 2799 requires insurers to offer at least some “copay-only” plans, consumers who choose to enroll in such a plan will know precisely what their medications will cost at the pharmacy counter. This allows consumers to plan financially for the care they’ll need over the course of the year.

Again, LLS believes strongly that HB 2799 offers a fair and balanced approach to this critical access issue and hopes that you will join us in supporting this legislation. If enacted, HB 2799 could have a profoundly positive impact on thousands of Oregonians living with chronic and life-threatening diseases.

Thank you for scheduling a hearing to discuss this important issue. LLS values your time and consideration. If you have questions or concerns, please don’t hesitate to contact me at thea.zajac@lls.org.

Sincerely,

Thea Zajac, MSW
Regional Director, Government Affairs
The Leukemia & Lymphoma Society

Enclosed: Please see our submitted coalition fact sheet for more information about HB 2799 as well as information about the high out-of-pocket costs Oregonians face.

ⁱ Insurance Exchange Market Landscape, 2019