



February 6, 2018

Honorable Representative Mitch Greenlick, Chair
House Committee on Health Care
Oregon State Capitol
Salem, OR 97301

RE: House Bill 4156 - Support

Dear Representative Greenlick,

The Arthritis Foundation urges your support of House Bill 4156 when it comes before your committee. This bill encompasses three crucial issues and patient protections. First, House Bill 4156 seeks to improve transparency by requiring a carrier to make specified information about prescription drug formularies available on the carrier's website and through a toll-free telephone number. Second, HB 4156 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 an alert issued by U.S. FDA. Lastly, this bill requires that state-regulated health insurance plans must ensure that a pre-deductible copay is applied to at least 25% of individual and group plans offered in each service area to make insurance more affordable for the average Oregonian.

First, by requiring insurers to post formulary information in a more accessible format, this bill 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.

Secondly, insurers' sometimes change the available benefits of a policy and coverage of medications by imposing new utilization management practices, increasing cost sharing obligations and making other negative changes that can lock a patient into a plan that does not fit their treatment needs. House Bill 4156 simply requires that the pharmacy benefits available when a health insurance plan is purchased cannot become more restrictive during the plan's contract year. Insurers can add drugs, including generics, at any time.

Furthermore, 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 healthy lives.

Lastly, this bill addresses the high cost of medications by requiring more affordable co-pay only insurance policies. High cost sharing, also known as co-insurance, is a barrier to medication access for people with chronic, disabling, and life-threatening conditions. Cost-sharing for prescription medications should not be so burdensome that it restricts or interferes with access to necessary medications, which can lead to negative health outcomes and additional costs to the health care system.

cc: Representative Cedric Hayden, Vice-Chair
Representative Rob Nosse, Vice-Chair
Members, House Committee on Health Care

This bill also requires state-regulated health insurance plans to 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 previously described.

All three elements of HB 4156 create a patient-centered environment where patients are able to plan for an entire plan year. Starting in open enrollment, further transparency allows a patient to make informed decisions concerning formularies. Further, restrictions on mid-year formulary changes ensure that patients stay stable and leads to less costs for the entire health care system. Lastly, a patient being able to choose a co-pay plan allows them to budget for the entire year with regards to the specific amount they will be charged.

On behalf of the more than 838,000 adults and 3,400 children in Oregon living with arthritis, we strongly urge your support of HB 4156 to ensure patients have continuity of care, formulary transparency and lower costs for their crucial prescription medications.

Sincerely,

A handwritten signature in black ink that reads "Steven Schultz". The signature is written in a cursive style with a large, sweeping initial "S".

Steven Schultz
State Director, Advocacy & Access
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