

HB 2692 A STAFF MEASURE SUMMARY**Carrier:** Rep. Nosse**House Committee On Health Care****Action Date:** 04/02/19**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 10-0-1-0**Yeas:** 10 - Alonso Leon, Boles, Drazan, Greenlick, Hayden, Mitchell, Noble, Nosse, Prusak, Salinas**Exc:** 1 - Keny-Guyer**Fiscal:** Has minimal fiscal impact**Revenue:** No revenue impact**Prepared By:** Oliver Droppers, LPRO Analyst**Meeting Dates:** 2/21, 4/2**WHAT THE MEASURE DOES:**

Requires the Pharmacy and Therapeutics Committee (Committee) to publish recommendations on drugs no later than seven days after the committee makes a recommendation regarding the Practitioner-Managed Prescription Drug Plan (PMPDP). Requires the Director of the Oregon Health Authority (OHA) to approve, disapprove, or modify the Committee's recommendation, and then publicly post the decision on the Committee's website within seven days. Clarifies that recommendations from the Committee apply to the "coverage of a drug" on the PMPDP. Allows parties to request the OHA Director reconsider the approval of the Committee's recommendation; specifies timeline. Authorizes the Director to delay or implement a recommendation. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Lower pharmaceutical costs in the Oregon Health Plan
- Shorten the time to approve a drug from one month to one week
- Implementation timeline for the Pharmacy and Therapeutics Committee
- Pharmaceutical rebates to coordinated care organizations

EFFECT OF AMENDMENT:

Clarifies that recommendations apply to the "coverage of a drug" on the Practitioner-Managed Prescription Drug Plan.

BACKGROUND:

In 2001, the Legislative Assembly enacted Senate Bill 819, which created the Practitioner-Managed Prescription Drug Plan (PMPDP). The PMPDP requires the state's Medicaid plan, the Oregon Health Plan (OHP), to maintain a list of the most cost-effective drugs to prescribe for fee-for-service enrollees (i.e., those not enrolled in managed care). This list is called the Preferred Drug List (PDL). New prescriptions for non-preferred physical health drugs (not listed on the PDL) require prior authorization, which refers to when a health care provider needs advance approval from a health plan to deliver medication. Health plans may require prior authorization before a drug that is not on the list can be dispensed, which means the prescriber must receive approval from the source paying for the drugs before the prescription can be filled.

The Pharmacy and Therapeutics Committee (Committee) is an 11-member advisory committee of physicians, pharmacists, and consumer representatives. The Committee is responsible for performing drug use review and making drug policy recommendations for OHP. According to the Committee, their mission is to encourage safe, effective, and innovative drug policies that promote high-value medications for patients served by OHP and other health care programs under the Oregon Health Authority (OHA). This is achieved by evidence-based Committee

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review of drug use research, clinical guidance and education, making recommendations to OHA, and maintaining the state's PDL. In its works, the Committee considers in order of priority: the safety and efficacy of the drugs being considered, the ability of Oregonians to access effective prescription drugs that are appropriate for their clinical conditions, and substantial differences in costs of drugs within the same therapeutic class.

House Bill 2692-A modifies the amount of time the Pharmacy and Therapeutics Committee and the Oregon Health Authority have to approve and publish drug policy recommendations.