

SB 1535 A STAFF MEASURE SUMMARY

Carrier: Sen. Steiner Hayward

Senate Committee On Health Care

Action Date: 02/13/20

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 3-2-0-0

Yeas: 3 - Beyer, Fagan, Monnes Anderson

Nays: 2 - Knopp, Linthicum

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

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Meeting Dates: 2/4, 2/11, 2/13

WHAT THE MEASURE DOES:

Requires the Department of Consumer and Business Services (DCBS) to investigate methods for collecting information on pharmaceutical rebates and markups. Authorizes DCBS to access, use, and disclose data collected by the all payer, all claims database (APAC). Clarifies price increase threshold that triggers required reporting by prescription drug manufacturers. Authorizes DCBS to disclose information regarding prescription drug price increases. Adds two consumer advocates and representatives of large business, small business, and generic drug manufacturers to the Task Force On Fair Pricing of Prescription Drugs (Task Force). Requires Task Force to explore transparency initiatives regarding financial burdens of prescription drug costs. Extends sunset of Task Force to December 31, 2022. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Task Force history and recommendations
- Cumulative versus net price increase reporting standards
- Immunity provisions versus other trade secret protections

EFFECT OF AMENDMENT:

Removes immunity protections granted to DCBS. Adds representative of generic drug manufacturers to Task Force membership.

BACKGROUND:

House Bill 4005 (2018) established the Oregon Prescription Drug Price Transparency program (Program) to review and report on specified prescription drug pricing information in Oregon. The bill also created the Joint Interim Task Force On Fair Pricing of Prescription Drugs (Task Force). The Task Force included representation from specified stakeholders and was charged with developing a strategy to create transparency for drug prices across the entire supply chain of pharmaceutical products. The Task Force delivered its final report in October 2018 with 14 recommendations. Senate Bill 872 (2019) proposed to implement the recommendations of the Task Force.

Senate Bill 1535-A clarifies the responsibilities and authorities of the Program, and updates the timelines, composition, and charge of the Task Force.