

March 3, 2021

Senate Committee on Health Care  
Oregon State Capitol  
900 Court St. NE  
Salem, Oregon 97301

Re: Opposition to SB 457

Chair Patterson, Vice-Chair Knopp, Members of the Senate Committee on Health Care,

We are writing to express our concerns regarding SB 457. This bill would make significant changes to how drugs are managed in the Oregon Health Plan. A key component of what makes the Oregon Health Plan possible is the Prioritized List, maintained by the Health Evidence Review Commission, a panel of experts appointed by the Governor and confirmed by the Senate.

The HERC ranks health care conditions and treatment pairs in order of clinical effectiveness and cost-effectiveness. This helps ensure evidence-based best practices for Oregon Health Plan members and ensures Oregon gets the most “bang for buck” with limited resources.

The way things work currently, CCOs maintain Preferred Drug Lists that meet the unique needs of their local communities. This bill would push Oregon toward drug formulary alignment, which is counter to the local model and cost the overall health care system significantly.

As it stands now, CCOs are able to provide exceptions and reimburse for drugs not on the Prioritized List. These decisions are made in consultation with the CCO’s Medical Directors, who are doctors.

The bill also limits step therapy, which is a critical management tool. Thanks to new rules on Transition of Care, CCOs are able to see a patient's history with step therapy and do not need to “restart” that process unnecessarily.

If SB 457 were to pass as introduced, we will see an expansion of reimbursement for some of the most expensive drugs, which may have relatively little benefit. This detracts from our ability to provide other critical health benefits and will make it very difficult to meet cost growth targets.

Senate Committee on Health Care  
March 3, 2021  
Page 2

Thank you for your consideration.

Sincerely,

Coalition for a Healthy Oregon (Advanced Health, AllCare Health, Cascade Health Alliance,  
Trillium Community Health Plan, Umpqua Health Alliance, Yamhill Community Care)  
Health Share of Oregon  
InterCommunity Health Network CCO  
CareOregon  
Jackson Care Connect  
Columbia Pacific CCO  
PacificSource

