

## **Enhancing Transparency for Oregon's Medicaid Coverage Process**

Oregon has implemented a unique process for evaluating services covered by its medical assistance programs. The Health Evidence Review Commission ("HERC") and Pharmacy & Therapeutics Committee ("P&T") are intended to implement an evidence-based process into coverage decisions and prior authorization criteria. Unfortunately, the current process creates challenges for public engagement, clinical expertise and evaluation of evidence for new, innovative treatments.

**SB 457 aims to ensure a fair, transparent and evidenced-based process that's accessible to the public and free from conflict by implanting the following requirements for the HERC and P&T:**

Expand public involvement both by requiring at least 60 days' notice of staff recommendations for drug or technology review or changes to coverage guidance.

Requires the addition of to add at least one expert in the condition/treatment being reviewed as a temporary voting member.

Eliminates word limit on submission of written materials to either body (Currently 1000 words).

Adopts appropriate processes and evidentiary standards for evaluation of rare disease or individualized treatments. This distinguishes the difference between published studies and available evidence.

Sets term limits on service on HERC, its subcommittees and on P&T, and requirement for Senate confirmation of all appointees.

Addresses conflicts of interest by sitting members of HERC and P&T who are compensated based on their employers cost structure/spending.

Implements HERC and P&T policies and processes through an APA rulemaking process, with a required Rulemaking Advisory Committee (and disallows existing members to participate on the Rulemaking Advisory Committee).

### **PENDING AMENDMENTS:**

- Remove Sections 1-3 addressing OHA Prior Authorization authority, "prescriber prevails language" and aligned preferred drug list.
- Clarify term limits for Commission/Committee membership.
- Align Coordinated Care Organization processes with HERC and P&T requirements.
- Specifying allowable universe of evidence for consideration in coverage determinations.

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