

**SB 1508 A STAFF MEASURE SUMMARY**

Carrier: Sen. Patterson

**Senate Committee On Health Care****Action Date:** 02/07/24**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 5-0-0-0**Yeas:** 5 - Bonham, Campos, Gorsek, Hayden, Patterson**Fiscal:** Has minimal fiscal impact**Revenue:** No revenue impact**Prepared By:** Daniel Dietz, LPRO Analyst**Meeting Dates:** 2/7**WHAT THE MEASURE DOES:**

The measure restricts the Health Evidence Review Commission (HERC) from relying on evidence that references "quality of life measures" and limits the out-of-pocket cost for insulin to \$35 for a 30-day supply.

Detailed Summary:

Requires a HERC staff member who is trained to identify bias and discrimination in medical research to determine whether the HERC and its staff have relied on research with conclusions that derive from "quality of life in general" measure. Defines "quality of life in general" measure. Further, SB 1508 A

- requires the HERC to allow public input on any research or analysis tool that it uses and on the selection of any vendor that provides research or analysis,
- prohibits the HERC from hearing evidence or deliberating on matters presented by an advisory committee, subcommittee, or panel of experts during an executive session, and
- directs the HERC to consider a full range of peer-reviewed research and analyses, including research of health outcomes that are priorities for persons with disabilities who experience specific diseases or illnesses.

Prohibits health benefit plans from requiring an enrollee to incur cost-sharing or other out-of-pocket costs over \$35 for each 30-day supply of insulin prescribed for the treatment of diabetes, or \$105 for each 90-day supply. Strikes a previous requirement for the Department of Consumer and Business Services to annually adjust the maximum based on changes to the cost of living.

**ISSUES DISCUSSED:**

- Medicare limits on cost-sharing for insulin
- Quality Adjusted Life Years (QALYs)
- Relationship between provisions within the measure

**EFFECT OF AMENDMENT:**

The measure was amended to clarify the role of HERC staff in reviewing the use of evidence before the commission and to include provisions to limit cost-sharing for insulin.

**BACKGROUND:**

Unique among states, Oregon convenes a commission of individuals with different kinds of expertise to determine the cost effectiveness of treatments to be covered by the state's medical assistance plan, the Oregon Health Plan (OHP). The Health Evidence Review Commission (HERC) relies on medical studies, evidence, and expertise to determine which medical procedures, devices, and tests on Oregon's Prioritized List of Health Services will be covered by the OHP. Some medical studies use econometric analyses that place value on the expected quality of life of individuals with different conditions. One particular econometric model, the Quality Adjusted Life Year ("QALY"), has been shown to discriminate against people with different health conditions ([link](#) to Schneider, "The

## **SB 1508 A STAFF MEASURE SUMMARY**

QALY is Ableist” (2022). Additionally, the HERC may be presented with a meta-analysis, which is a study to systematically assess previous research, further complicating efforts to avoid considering conclusions that rely on QALYs or other quality of life in general measures.

[HB 2623](#) (2021) limited out-of-pocket cost sharing for insulin to \$75 dollars for a 30-day supply and to \$225 for a 90-day supply. Beginning in 2023, out-of-pocket costs for insulin for people with Medicare Parts B and D were capped at \$35 for a 30-day supply. According to the American Diabetes Association, 25 states and the District of Columbia limit the out-of-pocket cost of insulin, and among those, 17 states cap the cost at \$35 or less for a 30-day supply ([link](#) to American Diabetes Association).