

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass as Amended and Be Printed Engrossed and Rescind the Subsequent Referral to the Committee on Ways and Means
Vote:	5 - 1 - 2
Yeas:	Cannon, Doherty, Hoyle, Greenlick, Thompson
Nays:	Parrish
Exc.:	Kennemer, Weidner
Prepared By:	Sandy Thiele-Cirka, Administrator
Meeting Dates:	2/11, 4/8, 4/15, 4/20

WHAT THE MEASURE DOES: Establishes Pharmacy and Therapeutics Committee (P &T Committee) to perform functions of Drug Use Review Board, which is abolished. Establishes Health Evidence Review Commission (HERC) to perform functions of Health Resources Commission and Health Services Commission, which are abolished. Describes roles of Oregon Health Authority (OHA) and Department of Human Services (DHS) in administering medical assistance program. Permits sharing of information between OHA and DHS for specified reasons. Extends end date for authority and department to cross-delegate. Corrects references, updates terminology, makes other technical corrections and creates enabling provisions for OHA. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Statewide formulary or preferred drug list
- Review of Pharmacy and Therapeutics Committee
- Background on Health Resources Commission and Health Services Commission
- Review of Health Evidence Review Commission
- Work group to work on consensus amendments

FFECT OF COMMITTEE AMENDMENT: Establishes 11 member P&T Committee consisting of five doctors, four pharmacists and two members of public. Allows complementary and alternative medicine representation. Outlines process for medical experts to be added to P &T Committee. Requires decisions by P &T Committee to be posted 60-days in advance of implementation date. Specifies that 30-day public notification prior to P &T Committee deliberations. Directs P &T Committee. to find substantial drug cost differences when using price as the determinate of which drug or drugs are included. Assures that efficacy issues are decided by the P&T Committee not the HERC.

BACKGROUND: With the passage of House Bill 2009 (2009) the Oregon Health Authority was directed to establish a “statewide formulary” or preferred drug list. House Bill 2009 did not create a method for how such a preferred drug list should be created. The current process to establish a state wide formulary has been criticized for: not being transparent; having little public involvement; being very time consuming; and for some of the more complicated classes of drugs, having no expert involvement.

The Health Resources Commission (HRC) was created as a component of the Oregon Health Plan (OHP) to help achieve the goal that Oregonians have access to high quality, effective health care at an affordable cost, whether that care is purchased by the state or by the private sector. The role of the HRC is to encourage the rational and appropriate allocation and use of medical technology in Oregon by informing and influencing health care decision makers through analysis and dissemination of information concerning the effectiveness and cost of medical technologies. The role of the Health Services Commission (HSC) is to prioritize health services and establish benchmark rates for OHP. The HSC is charged with the following duties:

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This summary has not been adopted or officially endorsed by action of the committee.

- To report to the Governor a list of health services ranked by priority, from the most important to the least important, representing the comparative benefits of each service to the population being served.
- To encourage effective and efficient medical evaluation and treatment, the HSC:
 - (a) May include clinical practice guidelines in its prioritized list of services. HSC shall actively solicit testimony and information from the medical community and the public to build a consensus on clinical practice guidelines developed by the commission; and
 - (b) Shall consider both the clinical effectiveness and cost-effectiveness of health services in determining their relative importance using peer-reviewed medical literature, as defined in ORS 743.695.

The Oregon Drug Use Review Board (DUR) is a 12 member volunteer, advisory committee of physicians, pharmacists and a dentist. DUR's mission is to encourage safe, effective, innovative and financially sustainable policies through drug use research and education; and is responsible for performing drug use review and making drug policy recommendations for Department Medical Assistance Program (DMAP). The DUR's goals are to:

- (a) Measure and assess the utilization, quality, medical appropriateness, and cost of prescribed medication through evaluation of claims data; and
- (b) Develop policy recommendations in relation to DUR.

House Bill 2100-A transfers the DUR duties and responsibilities to the Pharmacy and Therapeutic Committee; and combines the HSC and HRC into the Health Evidence Review Commission (HERC).