Statement

PhRMA

In Support of Oregon Senate Bill 777
March 11, 2013

Position: PhRMA supports OR SB 777 (including Amendment 1), which would improve the Pharmacy and Therapeutics Committee (P&T) and Drug Utilization Review (DUR) process by adding transparency and making clear through public notice not only which drugs will be reviewed at each session but which will be discussed for purposes of inclusion on or exclusion from the Practitioner-Managed Prescription Drug Plan (PMPDP).

Oregon SB 777 provides improvements to the P&T Committee process and provides important patient protections that prevent discrimination based on a patient's medical condition. This legislation states that any preferred drug list or guideline regarding coverage, payment or utilization of prescription drugs developed or utilized by the authority may not discriminate or be used to discriminate against patients based on a disease or condition, quality of life or expected length of life. Given the number of conditions for which prescription drugs are a primary treatment, and that prescription drug costs are easier to predict than other forms of health care spending, it is particularly important that the P&T Committee process and review of medications does not discriminate against patients with specific health care needs who are trying to get access to effective treatments.

SB 777 provides additional steps that add needed transparency to the process, such as requiring the P&T Committee to divide their agenda into two separate sections, so that drug use reviews are considered separately from consideration of whether to recommend a drug for inclusion or exclusion from the PMPDP. The bill also requires a list of the name of the drug, not just the class that will be discussed by the committee for the purpose of recommending the drug's inclusion or exclusion from the PMPDP adopted by the Oregon Health Authority. This allows stakeholders to provide the committee members with other documentation and essential information that should be considered by the committee.

Additionally, if the committee will be discussing an agenda item during the executive session, the agenda must specify the basis for the meeting in executive session. Furthermore, the committee can meet in executive session only after the committee finds the drugs under consideration in the same class are comparable enough that a substantial difference in cost or other factors would be the determining factor of the committee's recommendation for including a drug on the PMPDP. These additional steps and attention to detail that will be added to the process provides for much-needed clarity for all stakeholders, especially for the patients and providers.

While prior authorization is a common medical management tool that is utilized in many other states, it is important that it is consistent with "best practices" and based on industry standards as well as appropriate guidelines from expert patient and provider organizations. The process should also be evaluated to determine if it is having a negative impact on Oregonians' ability to obtain prescription drugs for their certain condition that could potentially result in increased utilization of services and poor patient outcomes.

For these reasons, PhRMA urges state legislators to support SB 777.