78th OREGON LEGISLATIVE ASSEMBLY – 2015 Regular Session MEASURE: SB 838

## PRELIMINARY STAFF MEASURE SUMMARY

**Senate Committee on Senate Health Care** 

**REVENUE:** No revenue impact

FISCAL: May have fiscal impact, statement not yet issued

Action: Vote:

Yeas: Nays: Exc.:

**Prepared By:** Zena Rockowitz, Administrator

**Meeting Dates:** 4/15, 4/20

**WHAT THE MEASURE DOES:** Modifies health services list maintained by Health Evidence Review Commission. Requires one list to exclude prescription drugs and adds one list to include drugs in prescription drug monitoring program. Allows list to be altered to accommodation of changes in drug therapies. Removes authority of Oregon Health Policy and Research to recommend to OHA a preferred drug list for use in Oregon Prescription Drug Program.

**CARRIER:** 

## **ISSUES DISCUSSED:**

**EFFECT OF COMMITTEE AMENDMENT: -1 Amendment:** Replaces measure. Creates 20-member Task Force on Prescription Drugs to review prescription drugs expected to come to the United States market for first time in 2015 and 2016 and prepare report describing the drugs. Requires two members from each congressional district, representatives from five coordinated care organizations and representatives from five commercial insurers. Requires submission of report to Joint Ways and Means no earlier than February 1, 2017, and no later than April 1, 2107. Requires Oregon Health Authority to provide staff support and gather data. Declares emergency, effective on passage.

**BACKGROUND:** The Oregon Health Authority's Health Evidence Review Commission (HERC) reviews medical evidence to prioritize health care spending in the Oregon Health Plan (Oregon's Medicaid program). It creates cost effectiveness reports, including coverage guidance, health technology assessments, and evidence-based medical practice guidelines. HERC's prioritized list contains 669 line items consisting of treatment pairs, using diagnostic treatment and procedure codes. In order to reduce the use of costly and less effective treatments, the methodology for prioritization emphasizes preventative services and chronic disease management. HERC and its subcommittees and advisory panel are open to the public and a review of the list is conducted every two years in order to make modifications. The list is then submitted to the Oregon Legislature for funding consideration.