

## **SB 1535 A -A9, -A10, -A12, -A13 STAFF MEASURE SUMMARY**

### **House Committee On Rules**

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**Meeting Dates:** 2/26, 2/28

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#### **WHAT THE MEASURE DOES:**

Requires the Department of Consumer and Business Services (DCBS) to investigate methods for collecting information on pharmaceutical rebates and markups. Authorizes DCBS to access, use, and disclose data collected by the all payer, all claims database (APAC). Clarifies price increase threshold that triggers required reporting by prescription drug manufacturers. Authorizes DCBS to disclose information regarding prescription drug price increases. Adds two consumer advocates and representatives of large business, small business, and generic drug manufacturers to the Task Force On Fair Pricing of Prescription Drugs (Task Force). Requires Task Force to explore transparency initiatives regarding financial burdens of prescription drug costs. Extends sunset of Task Force to December 31, 2022. Declares emergency, effective on passage.

#### **ISSUES DISCUSSED:**

- Changing charge of Task Force and extension of Task Force to prepare for and meet after the 2021 session
- House Bill 4005 intent related to price increase thresholds
- Allowing Department of Consumer and Business Services similar authority as in other agency programs
- Total number of prescription drug manufacturers impacted by program (250)

#### **EFFECT OF AMENDMENT:**

-A9 Restores current requirement that prescription drug price increases be reported when there is a net increase of 10 percent or more over the previous calendar year. Clarifies information the Department of Consumer and Business Services (DCBS) may request from prescription drug manufacturers. Removes authority for DCBS to issue civil penalties for reports that are not delivered timely.

-A10 Clarifies information the Department of Consumer and Business Services may request from prescription drug manufacturers required to submit a report.

-A12 Clarifies information the Department of Consumer and Business Services (DCBS) may request from prescription drug manufacturers required to submit a report. Removes authority for DCBS to issue civil penalties for reports that are not delivered timely.

-A13 Removes provision allowing Department of Consumer and Business Services to request information from any manufacturer related to the administration of the Prescription Drug Price Transparency Act.

#### **BACKGROUND:**

House Bill 4005 (2018) established the Oregon Prescription Drug Price Transparency program (Program) to review and report on specified prescription drug pricing information in Oregon. The bill also created the Joint Interim Task Force On Fair Pricing of Prescription Drugs (Task Force). The Task Force included representation from specified stakeholders and was charged with developing a strategy to create transparency for drug prices across the entire supply chain of pharmaceutical products. The Task Force delivered its final report in October 2018 with 14 recommendations. Senate Bill 872 (2019) proposed to implement the recommendations of the Task Force.

Senate Bill 1535-A clarifies the responsibilities and authorities of the Program, and updates the timelines, composition, and charge of the Task Force.