

**SB 1535 A STAFF MEASURE SUMMARY**

**Carrier:** Sen. Linthicum

**Senate Committee On Health Care**

**Minority Report**

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**Action Date:** 02/13/20

**Action:** Do pass with different amendments. (Printed A-Eng.) Minority

**Fiscal:** Has minimal fiscal impact

**Revenue:** No revenue impact

**Report Signers:** Sen. Tim Knopp, Sen. Dennis Linthicum

**Prepared By:** Brian Nieubuurt, LPRO Analyst

**Meeting Dates:** 2/4, 2/11, 2/13

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**WHAT THE MEASURE DOES:**

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:**

- Task Force history and recommendations
- Cumulative versus net price increase reporting standards
- Immunity provisions versus other trade secret protections

**EFFECT OF AMENDMENT:**

Removes requirement that the Department of Consumer and Business Services (DCBS) investigate methods for collecting pharmaceutical rebate and markup information. Removes authorization for DCBS to access and use the all payer, all claims database (APAC). Restores current standard for price increases triggering reporting by prescription drug manufacturers. Removes authorization for DCBS to disclose information about consumer notifications of prescription drug price increases. Removes DCBS immunity protections. Adds representative of generic drug manufacturers to Task Force membership.

**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 (Minority) updates the timelines, composition, and charge of the Task Force.