

HB 2044 -1, -3 STAFF MEASURE SUMMARY

House Committee On Health Care

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Meeting Dates: 3/2, 3/9, 3/18, 3/25

WHAT THE MEASURE DOES:

Grants Department of Consumer and Business Services (DCBS) access to data in the All Payer All Claims database maintained by the Oregon Health Authority (OHA). Clarifies personal health information reported by a consumer to DCBS is confidential and not subject to disclosure. Modifies the information and reporting requirements for manufacturers and insurers are mandated to submit to DCBS regrading prescription drug costs. Takes effects on 91st day following adjournment sine die.

REVENUE: statement issued - no revenue impact.

FISCAL: statement issued - minimal impact.

ISSUES DISCUSSED:

- Drug Price Transparency program updates and current requirements
- Penalties for inaccurate reporting by manufacturers
- Reporting of confidential and proprietary information
- Legal concerns including pending litigation on HB 4005 (2018) and 2658 (2019)
- Patient assistance programs and co-pay accumulators

EFFECT OF AMENDMENT:

-1 Removes requirement manufacturers notify DCBS on new high-cost drugs and patient assistance programs.

-3 Removes requirement manufacturers notify DCBS on new high-cost drugs and patient assistance programs.

Limits reporting requirements for drug manufacturers to publicly available information or information in the public domain.

BACKGROUND:

The Legislative Assembly established the All-Payer All-Claims database (APAC) in 2009 as a tool to measure health care costs, quality, and utilization. APAC houses administrative health care data for Oregon's insured populations and is maintained by the Oregon Health Authority (OHA). It includes medical and pharmacy claims, enrollment data, premium information, and provider information for Oregonians who are insured through commercial insurance, Medicaid, and Medicare.

In 2018, Oregon passed House Bill 4005 creating the Oregon Prescription Drug Price Transparency program in the Department of Consumer and Business Services (DCBS). The program is to provide notice and disclosure of information from manufacturers relating to the cost and pricing of prescription drugs in the state. The law requires drug manufacturers to file annual reports for each drug with a net yearly price increase of 10 percent or more, if the drug costs at least \$100 for a month's supply or for a course of treatment lasting less than one month. In 2019, House Bill 2658 passed requiring manufacturers to report 60 days in advance of specific price increases. The program also requires health insurance companies, through the rate review process, to provide information on the top 25 drugs for various categories – most frequently prescribed, most costly, and those causing the largest increase in insurance spending. The program allows individual consumers to report price increases of prescriptions drugs to DCBS by phone, email, or online submission. The 2020 annual report by the program recommended DCBS obtain direct access to APAC to inform analyses conducted by the program and to support

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administrative efficiencies between OHA and DCBS.

House Bill 2044 provides statutory authority to the Department of Consumer and Business Services to access the All-Payer All-Claims database and modifies manufacturer and insurer reporting and consumer reporting protections in the Prescription Drug Price Transparency program.