SB 192 A -A6 STAFF MEASURE SUMMARY

Senate Committee On Rules

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Meeting Dates: 4/27

WHAT THE MEASURE DOES:

Directs pharmacy benefit managers (PBMs) to file a report with the Department of Consumer and Business Services (DCBS) to include the aggregated dollar amount of rebates, fees, price protection payments, and any other payments received from drug manufacturers. Specifies reporting requirements for patient assistance programs funded by drug manufacturers. Specifies reporting requirements for health insurance plans. Increases number of members on the prescription drug advisory board from five to eight members.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-A6 Directs the Prescription Drug Advisory Board to develop a plan for establishing upper payment limits on drugs sold in Oregon and to report back to the Legislative Assembly no later than September 15, 2024. Requires analysis of potential savings for the state, insurers, hospitals, consumers, and pharmacies. Removes requirement for drug manufacturers to report specified information about patient assistance programs, including the number of participants and the total value of coupons, discounts, and copayment assistance provided.

BACKGROUND:

In 2018, the Legislative Assembly passed the Prescription Drug Price Transparency Act (House Bill 4005), which requires pharmaceutical manufacturers and insurers to report specified prescription drug cost and price information. In 2021, the Legislative Assembly passed Senate Bill 844 that established Oregon's Prescription Drug Affordability Board (PDAB) and directed it to review and report on the cost and affordability of different categories of prescription drugs.

Senate Bill 844 directs the PDAB to provide recommendations for legislative changes necessary to make prescription drug products more affordable (<u>Link</u> to PDAB's 2022 Report for the Legislative Assembly). Among recommendations, the PDAB recommends annual reporting of the aggregated dollar amount of rebates, fees, and any other payments to pharmacy benefit managers from drug manufacturers, along with the number of participants and total value of coupons, discounts, and copayment assistance provided by drug manufacturers through patient assistance programs. The PDAB also recommends implementation of upper payment limits on prescription drugs purchased in Oregon.

Senate Bill 192 A directs pharmacy benefit managers to file a report with the Department of Consumer and Business Services to include the aggregated dollar amount of rebates, fees, price protection payments, and any other payments received from drug manufacturers, and requires reporting of the number of participants and total value of coupons, discounts, and copayment assistance provided by drug manufacturers through patient assistance programs.