



February 6, 2024  
The Honorable Deb Patterson  
Senate Committee on Health Care  
900 Court St. NE  
Salem, OR

SUBJECT: SB 1508 Information and Planned Implementation

Chair Patterson and Members of the Senate Committee on Health Care,

The purpose of this letter is to provide information related to SB 1508 and planned implementation of this bill upon passage. The Oregon Health Authority (OHA) recognizes the importance of centering health equity when making decisions about benefits and related health policy issues. SB 1508 advances the agency's ongoing efforts to examine our evidence review processes in order to detect and address biases and flawed assumptions in the research literature.

We are grateful to Sen. Patterson, Sen. Gelser-Blouin and the community advocates who met with OHA staff to develop language directing the Health Evidence Review Commission (HERC) and Pharmacy and Therapeutics Committee (P&T) to prevent disability related discrimination by eliminating any use of or influence from analytic tools such as Quality Adjusted Life Years (QALYs) from HERC's decision-making process. We believe that the changes proposed in the -2 amendment to SB 1508 address the concern OHA expressed during the 2021 session about preserving HERC's access to important health outcomes research while ensuring that benefit decisions are not based on QALYs or other measures with the potential for discrimination.

Once SB 1508 becomes law, OHA will take the following steps to address potential impacts of the flawed assumptions and biases in the QALYs tool.

- First, to address concerns about historical use and potentially lingering effect of QALYs in past HERC decisions, OHA staff will review all available meeting materials and minutes since the last change in ranking methodology, which was reported in the 2007 biennial report. For any topic where QALYs were included in meeting materials, staff will include a brief description of the discussion topic, report the coverage decision made, and state whether or not QALYs were cited as a decision factor. If the coverage decision for any topic in which QALY were included in meeting materials was to limit or exclude a

benefit from coverage, staff will re-evaluate the decision and either recommend changes or explain why changes are not required. The information produced pursuant to these steps will be compiled into a report that will be reviewed by the HERC with opportunity for public comment and posted on HERC's web site by December 31, 2024. Similar content will be added to the HERC's biennial report going forward.

- Second, OHA staff will form a new advisory panel for people with disabilities and chronic diseases to improve HERC research practices in line with the revisions to ORS 414.701, which appear in section 4 of SB 1508.
- Third, OHA will hire an evidence consultant with expertise in bias and discrimination to conduct additional equity-related analysis of research materials in order to identify potential discrimination and/or research bias and eliminate its influence on health benefit decision-making.
- Finally, moving forward, OHA staff will ensure that no meeting materials make any reference to QALYs. If any of the research that is referenced in HERC meeting materials references QALYs (or other quality of life in general measures, as defined in the bill), HERC staff with appropriate bias detection training will review the decision made by HERC in order to ensure that it was not influenced by the reference to QALYs in the research material.

Staff will continue to operate HERC meetings in compliance with public meeting law and without use of executive session.

We look forward to a continuing partnership with advocates and this Committee to eliminate bias and discrimination from Oregon's healthcare system, including its benefit determination process.

Sincerely,



Trilby De Jung  
Deputy Director,  
Oregon Health Authority  
Health Policy and Analytics Division