SENATE AMENDMENTS TO SENATE BILL 598

By COMMITTEE ON HEALTH CARE

April 15

On page 1 of the printed bill, line 2, after "ORS" insert "414.361,".

Delete lines 6 through 27 and insert:

"**SECTION 2. (1) As used in this section:**

"(a) 'Clinically appropriate' means supported by nationally recognized compendia, clinical guidelines or generally recognized standards of care.

"(b) 'Compendia' mean those resources widely accepted by the medical profession in the efficacious use of drugs.

"(c) 'Health care coverage' has the meaning given that term in ORS 743B.602.

"(d) 'Nonopioid prescription drug' means a drug that is prescribed for the treatment of chronic or acute pain and is approved by the United States Food and Drug Administration.

"(e) 'Prior authorization,' 'step therapy' and 'utilization review' have the meanings given those terms in ORS 743B.001.

"(2) An entity that provides health care coverage for prescription drugs shall ensure that the entity's drug formulary provides coverage for at least one clinically appropriate nonopioid prescription drug as an alternative for each opioid prescription drug.

"(3) The coverage described in this section for nonopioid prescription drugs may be made subject to, but may not be more restrictive than, the provisions for coverage for opioid prescription drugs, including with respect to prior authorization, step therapy, other utilization review requirements, cost-sharing, copayments, coinsurance and deductibles.

"**SECTION 3.** ORS 414.361 is amended to read:

"414.361. (1) The Pharmacy and Therapeutics Committee shall advise the Oregon Health Authority on:

"(a) Adoption of rules to implement ORS 414.351 to 414.414 in accordance with ORS chapter 183.

"(b) Implementation of the medical assistance program retrospective and prospective programs as described in ORS 414.351 to 414.414, including the type of software programs to be used by the pharmacist for prospective drug use review and the provisions of the contractual agreement between the state and any entity involved in the retrospective program.

"(c) Development of and application of the criteria and standards to be used in retrospective and prospective drug use review in a manner that ensures that such criteria and standards are based on compendia, relevant guidelines obtained from professional groups through consensus-driven processes, the experience of practitioners with expertise in drug therapy, data and experience obtained from drug utilization review program operations. The committee shall have an open professional consensus process for establishing and revising criteria and standards. Criteria and standards shall be available to the public. In developing recommendations for criteria and standards, the committee shall establish an explicit ongoing process for soliciting and considering input from interested par-

ties. The committee shall make timely revisions to the criteria and standards based upon this input in addition to revisions based upon scheduled review of the criteria and standards. Further, the drug utilization review standards shall reflect the local practices of prescribers in order to monitor:

"(A) Therapeutic appropriateness.

"(B) Overutilization or underutilization.

"(C) Therapeutic duplication.

"(D) Drug-disease contraindications.

"(E) Drug-drug interactions.

"(F) Incorrect drug dosage or drug treatment duration.

"(G) Clinical abuse or misuse.

"(H) Drug allergies.

"(d) Development, selection and application of and assessment for interventions that are educational and not punitive in nature for medical assistance program prescribers, dispensers and patients.

"(2) In reviewing retrospective and prospective drug use, the committee may consider only drugs that have received final approval from the federal Food and Drug Administration.

"(3) The committee shall make recommendations to the authority, subject to approval by the Director of the Oregon Health Authority or the director's designee, for drugs to be included on any preferred drug list adopted by the authority and on the Practitioner-Managed Prescription Drug Plan. The committee shall also recommend all utilization controls, prior authorization requirements or other conditions for the coverage of a drug.

"(4) In making recommendations under subsection (3) of this section, the committee may use any information the committee deems appropriate. The recommendations must be based upon the following factors in order of priority:

"(a) Safety and efficacy of the drug.

"(b) The ability of Oregonians to access effective prescription drugs that are appropriate for their clinical conditions.

"(c) Substantial differences in the costs of drugs within the same therapeutic class.

"**(5) In addition to the factors described in subsection (4) of this section, the committee, in making a recommendation, shall ensure there is at least one clinically appropriate nonopioid prescription drug available as an alternative for each opioid prescription drug and ensure the utilization controls and prior authorization requirements are no more restrictive for the nonopioid prescription drug than the utilization controls and prior authorization requirements for the opioid prescription drug.**

"[*(5)(a)*] **(6)(a)** No later than seven days after the date on which the committee makes a recommendation under subsection (3) of this section, the committee shall publish the recommendation on the website of the authority.

"(b) As soon as practicable after the committee makes a recommendation, the director shall decide whether to approve, disapprove or modify the recommendation, shall publish the decision on the website and shall notify persons who have requested notification of the decision.

"(c) Except as provided in subsection [*(6)*] **(7)** of this section, a recommendation approved by the director, in whole or in part, with respect to the inclusion of a drug on a preferred drug list or the Practitioner-Managed Prescription Drug Plan may not become effective less than seven days after the date that the director's decision is published on the website.

"[*(6)(a)*] **(7)(a)** The director may allow the immediate implementation of a recommendation de-

scribed in subsection [*(5)(c)*] **(6)(c)** of this section if the director determines that immediate implementation is necessary to protect patient safety or to comply with state or federal requirements.

"(b) The director shall reconsider any decision to approve, disapprove or modify a recommendation described in subsection [*(5)(c)*] **(6)(c)** of this section upon the request of any interested person filed no later than seven days after the director's decision is published on the website of the authority. The director's determination regarding the request for reconsideration shall be sent to the requester and posted to the website without undue delay. Upon receipt of a request for reconsideration, the director may:

"(A) Delay the implementation of the recommendation pending the reconsideration process; or

"(B) Implement the recommendation if the director determines that delay could reasonably result in harm to patient safety or would violate state or federal requirements.

"**(8) As used in this section, 'clinically appropriate' and 'nonopioid prescription drug' have the meanings given those terms in section 2 of this 2025 Act.**

"**SECTION 4.** ORS 414.361, as amended by section 4, chapter 628, Oregon Laws 2021, is amended to read:

"414.361. (1) The Pharmacy and Therapeutics Committee shall advise the Oregon Health Authority on:

"(a) Adoption of rules to implement ORS 414.351 to 414.414 in accordance with ORS chapter 183.

"(b) Implementation of the medical assistance program retrospective and prospective programs as described in ORS 414.351 to 414.414, including the type of software programs to be used by the pharmacist for prospective drug use review and the provisions of the contractual agreement between the state and any entity involved in the retrospective program.

"(c) Development of and application of the criteria and standards to be used in retrospective and prospective drug use review in a manner that ensures that such criteria and standards are based on compendia, relevant guidelines obtained from professional groups through consensus-driven processes, the experience of practitioners with expertise in drug therapy, data and experience obtained from drug utilization review program operations. The committee shall have an open professional consensus process for establishing and revising criteria and standards. Criteria and standards shall be available to the public. In developing recommendations for criteria and standards, the committee shall establish an explicit ongoing process for soliciting and considering input from interested parties. The committee shall make timely revisions to the criteria and standards based upon this input in addition to revisions based upon scheduled review of the criteria and standards. Further, the drug utilization review standards shall reflect the local practices of prescribers in order to monitor:

"(A) Therapeutic appropriateness.

"(B) Overutilization or underutilization.

"(C) Therapeutic duplication.

"(D) Drug-disease contraindications.

"(E) Drug-drug interactions.

"(F) Incorrect drug dosage or drug treatment duration.

"(G) Clinical abuse or misuse.

"(H) Drug allergies.

"(d) Development, selection and application of and assessment for interventions that are educational and not punitive in nature for medical assistance program prescribers, dispensers and patients.

"(2) In reviewing retrospective and prospective drug use, the committee may consider only drugs

that have received final approval from the federal Food and Drug Administration.

"(3) The committee shall make recommendations to the authority, subject to approval by the Director of the Oregon Health Authority or the director's designee, for drugs to be included on any preferred drug list adopted by the authority and on the Practitioner-Managed Prescription Drug Plan. The committee shall also recommend all utilization controls, prior authorization requirements or other conditions for the coverage of a drug.

"(4) In making recommendations under subsection (3) of this section, the committee may use any information the committee deems appropriate. The recommendations must be based upon the following factors in order of priority:

"(a) Safety and efficacy of the drug.

"(b) The ability of Oregonians to access effective prescription drugs that are appropriate for their clinical conditions.

"(c) For mental health drugs, the recommendations of the Mental Health Clinical Advisory Group.

"(d) Substantial differences in the costs of drugs within the same therapeutic class.

"**(5) In addition to the factors described in subsection (4) of this section, the committee, in making a recommendation, shall ensure there is at least one clinically appropriate nonopioid prescription drug available as an alternative for each opioid prescription drug and ensure the utilization controls and prior authorization requirements are no more restrictive for the nonopioid prescription drug than the utilization controls and prior authorization requirements for the opioid prescription drug.**

"[*(5)(a)*] **(6)(a)** No later than seven days after the date on which the committee makes a recommendation under subsection (3) of this section, the committee shall publish the recommendation on the website of the authority.

"(b) As soon as practicable after the committee makes a recommendation, the director shall decide whether to approve, disapprove or modify the recommendation, shall publish the decision on the website and shall notify persons who have requested notification of the decision.

"(c) Except as provided in subsection [*(6)*] **(7)** of this section, a recommendation approved by the director, in whole or in part, with respect to the inclusion of a drug on a preferred drug list or the Practitioner-Managed Prescription Drug Plan may not become effective less than seven days after the date that the director's decision is published on the website.

"[*(6)(a)*] **(7)(a)** The director may allow the immediate implementation of a recommendation described in subsection [*(5)(c)*] **(6)(c)** of this section if the director determines that immediate implementation is necessary to protect patient safety or to comply with state or federal requirements.

"(b) The director shall reconsider any decision to approve, disapprove or modify a recommendation described in subsection [*(5)(c)*] **(6)(a)** of this section upon the request of any interested person filed no later than seven days after the director's decision is published on the website of the authority. The director's determination regarding the request for reconsideration shall be sent to the requester and posted to the website without undue delay. Upon receipt of a request for reconsideration, the director may:

"(A) Delay the implementation of the recommendation pending the reconsideration process; or

"(B) Implement the recommendation if the director determines that delay could reasonably result in harm to patient safety or would violate state or federal requirements.

"**(8) As used in this section, 'clinically appropriate' and 'nonopioid prescription drug' have the meanings given those terms in section 2 of this 2025 Act.**".

In line 28, delete the first "4" and insert "5".

On page 3, line 16, delete "5" and insert "6".

On page 4, line 40, delete "6" and insert "7".

On page 5, delete lines 36 through 39 and insert:

"**SECTION 8. Section 2 of this 2025 Act and the amendments to ORS 750.055 and 750.033 by sections 5 to 7 of this 2025 Act apply to health benefit plans, health care service contracts and multiple employer welfare arrangements issued, renewed or extended on or after the effective date of this 2025 Act.**".