HB 4040-14
(LC 241)
2/2/26 (RH/htl/ps)

Requested by HOUSE COMMITTEE ON HEALTH CARE (at the request of Representative Rob Nosse)

PROPOSED AMENDMENTS TO
HOUSE BILL 4040

On page 2 of the printed bill, line 2, after "646A.693," insert "646A.694,".

On page 31, after line 10, insert:

"SECTION 39a. ORS 646A.694 is amended to read:

"646A.694. (1) The Department of Consumer and Business Services shall provide to the Prescription Drug Affordability Board each calendar year a list of prescription drugs included in reports submitted to the department under ORS 646A.689 (2) and (6), a list of drugs included in reports submitted to the department under ORS 646A.683 and 743.025 and a list of insulin drugs marketed in this state during the previous calendar year. Each calendar year, the board shall identify up to nine drugs and **may identify** at least one insulin product from the lists provided under this subsection that the board determines may create affordability challenges for health care systems or high out-of-pocket costs for patients in this state based on criteria adopted by the board by rule, including but not limited to:

"(a) Whether the prescription drug has led to health inequities in communities of color;

"(b) The number of residents in this state prescribed the prescription drug;

"(c) The price for the prescription drug sold in this state;

"(d) The estimated average monetary price concession, discount or rebate the manufacturer provides to health insurance plans in this state or is ex-

pected to provide to health insurance plans in this state, expressed as a percentage of the price for the prescription drug under review;

"(e) The estimated total amount of the price concession, discount or rebate the manufacturer provides to each pharmacy benefit manager licensed in this state for the prescription drug under review, expressed as a percentage of the prices;

"(f) The estimated price for therapeutic alternatives to the drug that are sold in this state;

"(g) The estimated average price concession, discount or rebate the manufacturer provides or is expected to provide to health insurance plans and pharmacy benefit managers in this state for therapeutic alternatives;

"(h) The estimated costs to health insurance plans based on patient use of the drug consistent with the labeling approved by the United States Food and Drug Administration and recognized standard medical practice;

"(i) The impact on patient access to the drug considering standard prescription drug benefit designs in health insurance plans offered in this state;

"(j) The relative financial impacts to health, medical or social services costs as can be quantified and compared to the costs of existing therapeutic alternatives;

"(k) The estimated average patient copayment or other cost-sharing for the prescription drug in this state;

"(L) Any information a manufacturer chooses to provide; and

"(m) Any other factors as determined by the board in rules adopted by the board.

"(2) A drug that is designated by the Secretary of the United States Food and Drug Administration, under 21 U.S.C. 360bb, as a drug for a rare disease or condition is not subject to review under subsection (1) of this section.

"(3) The board shall accept testimony from patients and caregivers affected by a condition or disease that is treated by a prescription drug under review by the board and from individuals with scientific or medical training

with respect to the disease or condition.

"(4)(a) If the board considers the cost-effectiveness of a prescription drug in criteria adopted by the board under subsection (1) of this section, the board may not use quality-adjusted life-years, or similar formulas that take into account a patient's age or severity of illness or disability, to identify subpopulations for which a prescription drug would be less cost-effective. For any prescription drug that extends life, the board's analysis of cost-effectiveness must weigh the value of the quality of life equally for all patients, regardless of the patients' age or severity of illness or disability.

"(b) As used in this subsection:

"(A) 'Health utility' means a measure of the degree to which having a particular form of disease or disability or having particular functional limitations negatively impacts the quality of life as compared to a state of perfect health, expressed as a number between zero and one.

"(B) 'Quality-adjusted life-year' is the product of a health utility multiplied by the extra months or years of life that a patient might gain as a result of a treatment.

"(5) To the extent practicable, the board shall access pricing information for prescription drugs by:

"(a) Accessing pricing information collected by the department under ORS 646A.689 and 743.025;

"(b) Accessing data reported to the Oregon Health Authority under ORS 442.373;

"(c) Entering into a memorandum of understanding with another state to which manufacturers already report pricing information; and

"(d) Accessing other publicly available pricing information.

"(6) The information used to conduct an affordability review may include any document and research related to the introductory price or price increase of a prescription drug, including life cycle management, net average price in this state, market competition and context, projected revenue and

the estimated value or cost-effectiveness of the prescription drug.

"(7) The department and the board shall keep strictly confidential any information collected, used or relied upon for the review conducted under this section if the information is:

"(a) Information submitted to the department by a manufacturer under ORS 646A.689; and

"(b) Confidential, proprietary or a trade secret as defined in ORS 192.345.".
