

Requested by Senator HAYDEN

**PROPOSED MINORITY REPORT AMENDMENTS TO  
SENATE BILL 1528**

1 In line 2 of the printed bill, before the period insert “; creating new pro-  
2 visions; amending ORS 414.326 and section 33, chapter 507, Oregon Laws  
3 2023; and prescribing an effective date”.

4 Delete lines 4 through 8 and insert:

5 **“SECTION 1. Sections 2 and 3 of this 2026 Act are added to and  
6 made a part of ORS chapter 414.**

7 **“SECTION 2. (1) As used in this section, ‘lowest cost’ means the  
8 lowest net cost after rebates are subtracted.**

9 **“(2) The Oregon Health Authority may take steps necessary, in-  
10 cluding entering into a memorandum of understanding or other  
11 agreement with a third party to assist the authority by acting as a  
12 purchasing agent, to ensure that the authority pays the lowest cost  
13 for any prescription drug purchased for recipients of medical assist-  
14 ance in this state including:**

15 **“(a) Members of coordinated care organizations;**

16 **“(b) Recipients of medical assistance whose costs are paid on a  
17 fee-for-service basis; and**

18 **“(c) Elderly or disabled recipients of medical assistance who are  
19 served by the Department of Human Services.**

20 **“(3) The authority shall report to the Legislative Assembly each  
21 year in the manner provided in ORS 192.245:**

1       “(a) On the activities of the Pharmacy and Therapeutics Committee  
2 established in ORS 414.353 and the Oregon Medicaid Purchasing Coop-  
3 erative established in section 3 of this 2026 Act;

4       “(b) On rebates that were collected and the savings to the state  
5 attributable to the rebates; and

6       “(c) The results of the alignment of the preferred drug list for  
7 medical assistance recipients enrolled in coordinated care organiza-  
8 tions with the preferred drug list for medical assistance recipients who  
9 are not enrolled in coordinated care organizations.

10       “SECTION 3. (1) The Oregon Medicaid Purchasing Cooperative is  
11 established as an advisory committee to the Oregon Health Authority,  
12 the purchasing agent described in section 2 of this 2026 Act and the  
13 Pharmacy and Therapeutics Committee established under ORS 414.353,  
14 for the purpose of:

15       “(a) Advising the Pharmacy and Therapeutics Committee and the  
16 authority regarding the Practitioner-Managed Prescription Drug Plan  
17 adopted by the authority under ORS 414.334;

18       “(b) Identifying opportunities to lower costs in purchasing pre-  
19 scription drugs;

20       “(c) Identifying opportunities to leverage rebates; and

21       “(d) Taking other approaches to achieve the best value for this state  
22 by purchasing prescription drugs at the lowest cost.

23       “(2) The cooperative consists of the following members appointed  
24 by the Director of the Oregon Health Authority:

25       “(a) A representative of each coordinated care organization that  
26 contracts with the authority;

27       “(b) An individual representing the authority;

28       “(c) An individual from an organization that advocates on behalf  
29 of medical assistance recipients; and

30       “(d) One or more individuals representing health care providers

1 other than hospitals.

2 “(3) The term of office of each member of the cooperative is four  
3 year, but a member serves at the pleasure of the director. Before the  
4 expiration of the term of a member, the director shall appoint a suc-  
5 cessor. A member is eligible for reappointment. If there is a vacancy  
6 for any cause, the director shall make an appointment to become im-  
7 mediately effective for the unexpired term.

8 “(4) The cooperative shall select one of its members as chairperson  
9 and another as vice chairperson, for such terms and with such duties  
10 and powers necessary for the performance of the functions of the of-  
11 fices as the cooperative determines.

12 “(5) A majority of the members of the cooperative constitutes a  
13 quorum for the transaction of business.

14 “(6) The members of the cooperative are not entitled to compen-  
15 sation or reimbursement for expenses and serve as volunteers on the  
16 cooperative.

17 “(7) The authority shall provide staff support to the cooperative and  
18 shall be responsible for responding to the requests for public records  
19 regarding the cooperative.

20 “(8) The costs of the cooperative shall be paid from funds in the  
21 Oregon Health Authority Fund established in ORS 413.101.

22 “(9) The cooperative is a public body for the purposes of ORS 192.311  
23 to 192.478 and 192.610 to 192.705, and all activities of the cooperative  
24 must be recorded retained for at least seven years. However, the co-  
25 operative may meet in executive session for the purposes described in  
26 ORS 414.356.

27 **“SECTION 4. (1) The Director of the Oregon Health Authority shall**  
28 **appoint all members of the Oregon Medicaid Purchasing Cooperative**  
29 **established in section 3 of this 2026 Act no later than January 1, 2027.**

30 “(2) The Oregon Health Authority shall take all necessary steps to

1 **carry out section 2 of this 2026 Act no later than January 1, 2028.**

2 **“(3) The cooperative shall advise the authority in the selection of**  
3 **the purchasing agent described in section 2 of this 2026 Act.**

4 **“SECTION 5.** ORS 414.326 is amended to read:

5 **“414.326. (1) The Oregon Health Authority, with the assistance of the**  
6 **purchasing agent described in section 2 of this 2026 Act,** shall negotiate  
7 and enter into agreements with pharmaceutical manufacturers for supple-  
8 mental rebates that are in addition to the discount required under federal  
9 law to participate in the medical assistance program.

10 **“(2) The authority and the purchasing agent** may participate in a  
11 multistate prescription drug purchasing pool for the purpose of negotiating  
12 supplemental rebates.

13 **“(3) ORS 414.325 and 414.334 apply to prescription drugs purchased for the**  
14 **medical assistance program under this section.**

15 **“SECTION 6.** Section 33, chapter 507, Oregon Laws 2023, is amended to  
16 read:

17 **“Sec. 33. (1) The amendments to [section 6 of this 2023 Act] ORS 441.765**  
18 **by section 17, chapter 507, Oregon Laws 2023, [of this 2023 Act] become**  
19 **operative on July 1, [2026] 2027.**

20 **“(2)(a) [Section 11 of this 2023 Act] ORS 653.258 and the amendments to**  
21 **ORS 653.261 by section 27, chapter 507, Oregon Laws 2023, [of this 2023**  
22 **Act] become operative on June 1, 2025.**

23 **“(b) The Commissioner of the Bureau of Labor and Industries may take**  
24 **any action before the operative date specified in this subsection that is nec-**  
25 **essary for the commissioner to exercise, on and after the operative date**  
26 **specified in this subsection, the duties, functions and powers conferred on**  
27 **the commissioner by [section 11 of this 2023 Act] ORS 653.258 and the**  
28 **amendments to ORS 653.261 by section 27, chapter 507, Oregon Laws 2023**  
29 **[of this 2023 Act].**

30 **“SECTION 7. This 2026 Act takes effect on the 91st day after the**

1 **date on which the 2026 regular session of the Eighty-third Legislative**  
2 **Assembly adjourns sine die.”**

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