



# Oregon

Kate Brown, Governor

Department of Consumer and Business Services

Division of Financial Regulation

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## Active recruitment for Rural Oregonian Applicants – Prescription Drug Affordability Board Oregon Prescription Drug Affordability Board overview and potential applicant information

**Recruitment:** The Oregon Prescription Drug Affordability Board is now accepting applications from rural Oregonians for one vacant board and one alternate board appointment. Applicants must have expertise in health care economics and clinical medicine. Appointees may not be an employee of, a board member of, or a consultant to a manufacturer or a trade association of manufacturers.

**Purpose:** To protect residents of Oregon, state and local governments, commercial health plans, health care providers, pharmacies licensed in this state, and other stakeholders within the health care system in Oregon from the high costs of prescription drugs.

**Composition:** The board consists of five members and three alternates appointed by the governor.

**Terms:** The term of each appointment are defined in statute but will be no less than two years, however members serve at the pleasure of the governor. Appointment is subject to confirmation by the senate.

**Application deadline:** Interested parties must complete the application process in its entirety **no later than 5 p.m. on Tuesday, July 12, 2022**, for consideration. Applications are submitted through [Workday](#) and must include the following:

- Uploaded resume (PDF only)
- Uploaded short personal bio (PDF only)
- Responses to the three General Application Question Responses to Background Questions
- Responses to the subsequent Gender Identity, Personal Information, and Public Records Disclosure tasks that come up directly after you submit your application

**Board functions:** Study of the entire prescription drug distribution and payment system in Oregon and policies adopted by other states and countries that are designed to lower the list price of prescription drugs including:

- Establishing upper payment limits for all financial transactions in this state involving a drug and specifying the methodology used to determine the upper payment limit.
- Using a reverse auction marketplace for the purchase of prescription drugs by state and local governments.
- Implementing a bulk purchasing process for state and local governments to purchase prescription drugs.

Based on information provided to the board by the Drug Pricing Transparency (DPT) program, it will identify nine drugs and at least one insulin product that it 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.

This criteria will include, at a minimum:

- Whether the prescription drug has led to health inequities in communities of color;

- The number of residents in Oregon prescribed the prescription drug;
- The price for the prescription drug sold in Oregon;
- The estimated average monetary price concession, discount, or rebate the manufacturer provides to health insurance plans in Oregon or is expected to provide to health insurance plans in Oregon, expressed as a percentage of the price for the prescription drug under review;
- The estimated total amount of the price concession, discount, or rebate the manufacturer provides to each pharmacy benefit manager registered in Oregon for the prescription drug under review, expressed as a percentage of the prices;
- The estimated price for therapeutic alternatives to the drug that are sold in Oregon;
- 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 Oregon for therapeutic alternatives;
- The estimated costs to health insurance plans based on patient use of the drug consistent with the labeling approved by the U.S. Food and Drug Administration and recognized standard medical practice;
- The impact on patient access to the drug considering standard prescription drug benefit designs in health insurance plans offered in Oregon;
- The relative financial impacts to health, medical, or social services costs as can be quantified and compared to the costs of existing therapeutic alternatives;
- The estimated average patient copayment or other cost-sharing for the prescription drug in Oregon;
- Any information a manufacturer chooses to provide;
- Any other factors as determined by the board in rules adopted by the board.

#### Rulemaking input

- Consultation to DCBS on annual fees paid by manufacturers that sell prescription drugs in Oregon to meet program and board operating costs based on the manufacturer's gross revenue from sales in Oregon.
- Criteria development for identifying drugs that create affordability challenges for the health care system or high out-of-pocket cost for patients.

Reporting requirements: Annual report to the Health Care Cost Growth Target program at the Oregon Health Authority and the legislature which includes:

- Price trends for the list of prescription drugs provided to the board;
- The prescription drugs that were reviewed;
- Recommendations to the legislature on changes necessary to make prescription drugs more affordable in Oregon.

An annual study of the generic drug marketplace in the U.S. for drugs dispensed by pharmacists and drugs administered by physicians including:

- Generic drug prices on a year-to-year basis;
- The degree to which generic drug prices affect insurance premiums;
- Annual changes in health insurance cost-sharing for generic drugs;
- The potential for and history of generic drug shortages;
- The degree to which generic drug prices affect annual spending in the state medical assistance program;
- Any other topic the board considers relevant to the cost of generic drugs.

Areas of review for study and recommendation: The prescription drug distribution and payment system in Oregon and policies adopted by other states and countries that are designed to lower the list price of prescription drugs including but not limited to:

- Establishing upper payment limits for all financial transactions in this state involving a drug and specifying the methodology used to determine the upper payment limit that does not undermine the viability of any part of the prescription drug supply chain;
- Using a reverse auction marketplace for the purchase of prescription drugs by state and local governments;
- Implementing a bulk purchasing process for state and local governments to purchase prescription drugs.

Findings will be presented to the legislature with policy recommendations made by the board to lower the list prices of prescription drugs sold in this state and for legislative changes necessary to implement the policies.

Meeting details: The following board actions will be open to the public:

- Deliberation on whether to conduct an affordability review of a prescription drug;
- Any decision or deliberation toward a decision on any matter except discussion of trade secret information, which shall occur in executive session;
- Opportunity for public comment will be afforded and the public can submit written comments on any pending board decisions;
- The board may allow expert testimony at board meetings, including when the board meets in executive session;
- A board member shall recuse themselves from decisions relating to a prescription drug if the member or their immediate family has received a financial benefit deriving from the result or finding of a study, review or determination by or for the board;
- Any real or perceived conflicts of interest shall be declared by the member.

Time commitment: The board will meet at least once every six weeks. Meeting cadence will be determined by a chairperson to be selected by the membership.

Mileage reimbursement: Board members are entitled to compensation and expenses as defined in statute.

For information about applying for board appointment, please contact Ralph Magrish, executive director of the Oregon Prescription Drug Affordability Board at [Ralph.M.Magrish@dcbs.oregon.gov](mailto:Ralph.M.Magrish@dcbs.oregon.gov) or 971-375-7591.

The Oregon Prescription Drug Affordability Board was created by Senate Bill 844 during the 2021 regular session and is viewable here:

<https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/SB0844/B-Engrossed>