



Public notice

Notice of intent – OHA will submit a Medicaid State Plan to align reimbursement for physician-administered drugs with current Medicare fee schedule

Date: November 4, 2022

Contact: Jesse Anderson, State Plan manager

Comments due: 5 p.m. Friday, November 25, 2022

The Oregon Health Authority will submit a State Plan Amendment to the Centers for Medicare & Medicaid Services to add a temporary, 5-year rate increase for certain biosimilar products to Oregon's Medicaid State Plan. The increased rate will:

- Be the biosimilar's Average Sales Price (ASP) plus 8% of the reference biological's ASP.
- Apply only to biosimilars with an ASP that is not more than the reference biological's ASP.

The annual increase is estimated to be \$3,580.

Background

Like other states, Oregon bases Medicaid reimbursement for physician-administered drugs on Medicare's rates. The Inflation Reduction Act of 2022, signed into law by President Biden on August 16, 2022, includes several provisions to lower prescription drug costs for people with Medicare and reduce drug spending by the federal government. Specifically, section 11403 of the Inflation Reduction Act requires this temporary add-on payment to increase access to and utilization of biosimilars and promote competition in the marketplace.

How to comment:

OHA welcomes public review and input. Please send written comments by 5 p.m. Friday, November 25, 2022, to jesse.anderson@dhsaha.state.or.us.