

Office of Statewide Health Planning and Development
 Senate Bill (SB) 17 (Chapter 603, Statutes of 2017)
 Cost Transparency Rx Implementation Plan
 November 2017

Beginning January 1, 2018, SB 17 requires OSHPD to make available a registry of public and private purchasers for purposes of the 60-day advance notice requirement for specified increases in the wholesale acquisition cost of a prescription drug. Public and private purchasers may register with OSHPD beginning December 1, 2017 at www.oshpd.ca.gov/CTRx.html.

Beginning January 1, 2019, drug manufacturers must notify OSHPD within three days of introducing a new drug at a wholesale acquisition cost that exceeds the specified threshold. Within 30 days of this notification, manufacturers must submit additional information to OSHPD. OSHPD will publish this information on its website quarterly.

Beginning after January 1, 2019, drug manufacturers are required to submit to OSHPD information on the rationale for cost increases for existing drugs that fall under the reporting requirement. OSHPD will collect this information beginning April 2019 and publish on its website within 60 days of receipt from each manufacturer on a quarterly basis.

The following implementation plan describes the provisions of SB 17 involving OSHPD. OSHPD will issue additional guidance in the coming weeks at www.oshpd.ca.gov/CTRx.html.

Projected Time Period	OSHPD Activities
November - December 2017	Compile a registry of state purchasers, healthcare service plans, health insurers, and pharmacy benefit managers that wish to receive 60-day notices of future increases, above the threshold specified, of the wholesale acquisition cost of prescription drugs.
December 1, 2017	Open portal on OSHPD website for purchasers to register to receive 60-day notice.
January 1, 2018	Registry to be available to drug manufacturers on OSHPD website.
January - March 2018	Begin outreach to stakeholders.
April - June 2018	Draft regulations that will take effect January 2019.
September - December 2018	Release information reporting requirements and information collection format to drug manufacturers.
January 2019	Begin collecting information related to <u>new</u> prescription drugs from drug manufacturers. OSHPD to publish this information quarterly on its website beginning Spring 2019.
April 2019	Begin collecting first quarter 2019 prescription drug cost increase information for <u>existing</u> drugs from drug manufacturers.
By June 2019	Publish first quarter 2019 drug cost increase information for existing drugs on OSHPD website.