76th OREGON LEGISLATIVE ASSEMBLY – 2012 Regular Session STAFF MEASURE SUMMARY

Senate Committee on Health Care, Human Services & Rural Health Policy

REVENUE: No revenue impact FISCAL: Fiscal statement issued

Action: Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and

MEASURE: SB 1506 A

CARRIER:

Means by prior reference

Vote: 5 - 0 - 0

Yeas: Bates, Kruse, Morse, Shields, Monnes Anderson

Nays: 0 **Exc.:** 0

Prepared By: Sandy Thiele-Cirka, Administrator

Meeting Dates: 2/8, 2/10, 2/13

WHAT THE MEASURE DOES: Directs Central Oregon Health Council to appoint 13 member Mental Health Clinical Advisory Group (Group). Specifies composition of Group. Establishes requirements for Group. Requires Group to report annually to appropriate committees of Legislative Assembly. Directs Oregon Health Authority to provide managed care organization supporting Central Oregon Health Council pharmacy claims data to support Group. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Pilot program
- Importance of balancing prescriptions for patients
- Controlling prescription costs
- Current utilization management techniques
- Outreach and education
- Proposed amendment
- Hold harmless language
- Need for legislation to create advisory work group

EFFECT OF COMMITTEE AMENDMENT: Replaces measure.

BACKGROUND: Mental health drugs are "carved out" of the managed care capitation rates. This means that Department of Medical Assistance Program (DMAP) pays for these drugs for all clients, including those in managed care.

The Central Oregon Health Council proposed a pilot program in order to provide improved patient care for Oregon Health Plan (OHP) patients who take the prescription drugs known as Schedule 7 or 11. These drugs are currently "carved out" of capitation of MCO plans in Oregon.