

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	4 - 0 - 1
Yeas:	Monnes Anderson, Verger, Morrisette, Kruse, Telfer
Nays:	0
Exc.:	Verger
Prepared By:	Jennifer Kellar, Administrator
Meeting Dates:	4/1, 4/13, 4/15, 4/22

WHAT THE MEASURE DOES: Modifies provision for the administrator of the Oregon Prescription Drug Program to perform any of the functions of the program including, but not limited to, contracting. Allows the program to use a pharmacy benefit manager or any other service provider to manage the pharmacy network and other activities of the program. Specifies that the Department of Human Services may not participate in the Oregon Prescription Drug Program. Declares emergency, takes effect upon passage.

ISSUES DISCUSSED:

- Use of Pharmacy Benefit Manager
- Barrier removal to maximize ability to work with all state purchasers of pharmacy benefits
- Expansion of opportunities to achieve best value and manufacturers' discounts
- Program relationship to Medicaid federal rebate process
- Discussion regarding inclusion of Medicaid into program
- Review of proposed amendments

EFFECT OF COMMITTEE AMENDMENT: Allows the program to use a pharmacy benefit manager or any other service provider to manage the pharmacy network and other activities of the program. Maximizes the ability to work with other state purchasers to unify purchasing power and increase opportunities for better value. Restores provision removed in a previous amendment that specified that the Department of Human Services, which receives Medicaid funds and is responsible for implementing the state's medical assistance program, may not participate in the Oregon Prescription Drug Program. Deletes provision from the measure which allowed the Administrator of the Oregon Prescription Drug Program to establish a state-managed wholesale or retail drug distribution or dispensing system.

BACKGROUND: The 72nd Legislative Assembly approved Senate Bill 875, which authorized the formation of the Oregon Prescription Drug Program (OPDP). In July 2006 the OPDP joined the Washington Prescription Drug Program (WPDP) to form the Northwest Prescription Drug Consortium. In November 2006 voters elected to open the pool to all uninsured Oregonians. In Spring 2007 the 74th Legislative Assembly approved Senate Bill 362 opening the pool to all Oregon businesses, labor organizations and the underinsured.

The Oregon Prescription Drug Program was established in the Oregon Department of Administrative Services to purchase prescription drugs or reimburse pharmacies for prescription drugs in order to receive discounted prices and rebates, make prescription drugs available at the lowest possible cost to participants in the program, and to maintain a list of prescription drugs recommended as the most effective prescription drugs available the best possible prices.

4/28/2009 9:46:00 AM

This summary has not been adopted or officially endorsed by action of the committee.