

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 962 - A**Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal Office

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Measure Description:

Requires state agencies to participate in Oregon Prescription Drug Program subject to exceptions.

Government Unit(s) Affected:

Oregon Health Authority (OHA)

Summary of Fiscal Impact:

See Analysis

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

Senate Bill 962 requires state agencies to participate in the Oregon Prescription Drug Program (OPDP) subject to certain exceptions. The bill authorizes the administrator of OPDP to negotiate with prescription drug manufacturers on the extension of drug manufacturer rebates to all participants in the program that purchase prescription drugs directly or indirectly for medical assistance recipients. The measure directs the Oregon Health Authority to apply to the Centers for Medicare and Medicaid Services for any approval necessary to obtain federal financial participation in the costs of drug purchased through OPDP.

The Legislative Fiscal Office anticipates budgetary and staffing impact to the Oregon Health Authority. At this time, the fiscal and budgetary ramifications of this measure cannot be fully quantified. The purpose of this fiscal impact statement is to note that information gathering for a more detailed analysis is in process.

This fiscal impact statement is for the purpose of transmitting the measure from the Senate Committee on Health Care, Human Services and Rural Health Policy to the Joint Committee on Ways and Means.

A more thorough and complete fiscal analysis on the bill will be prepared as the measure is considered in the Joint Committee on Ways and Means.