

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 382 - A

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office

***Only Impacts on Original or Engrossed
Versions are Considered Official***

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Measure Description:

Directs Department of Consumer and Business Services and Oregon Health Authority to jointly develop form that providers in this state may use to request prior authorization for prescription drug benefits.

Government Unit(s) Affected:

Department of Consumer and Business Services (DCBS), Oregon Health Authority (OHA)

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 382 requires the Department of Consumer and Business Services, in consultation with the Oregon health Authority, to develop by rule a form that providers in Oregon are required to use to request prior authorization for prescription drug benefit. The bill details the length and content of this form. The bill contains an emergency clause, and takes effect on passage.

Department of Consumer and Business Services (DCBS)

Passage of this bill is anticipated to have minimal fiscal impact for the Department of Consumer and Business Services. DCBS will use existing staff and resources to work with the Oregon Health Authority and to perform the rulemaking activities required by this bill.

Oregon Health Authority (OHA)

The fiscal impact of this bill on the Oregon Health Authority is indeterminate. Although OHA anticipates using existing staff and resources to consult with DCBS in developing rules the form, the agency states that the new form will require modifications to the MMIS system. However, because the form is not yet developed, OHA cannot predict the scope of change that will be needed.

Furthermore, OHA is concerned that certain requirements for the form specified in this bill might result in a fiscal impact for its Medical Assistance Programs (MAP). The bill limits the form to two pages which limits the amount of information a payer/insurer can request. OHA reports that in some cases there may be additional information that is required to appropriately ensure safe and appropriate therapy. If the Medical Assistance Programs and coordinated care organizations are limited in the information they can request, this process could potentially expose clients to harms that could result in collateral health care costs, and the clients could end up receiving medication that is unnecessary or inappropriate.