77th OREGON LEGISLATIVE ASSEMBLY – 2013 Session STAFF MEASURE SUMMARY

Joint Committee on Ways and Means

Carrier – House: Rep. Freeman Carrier – Senate: Sen. Bates

SB 382-B

MEASURE:

Revenue: No revenue impact

Fiscal: Minimal fiscal impact, no statement issued

Action: Do Pass the A-Engrossed Measure as Amended and as Printed B-Engrossed

Vote: 24 - 0 - 2

<u>House</u>

Yeas: Barker, Buckley, Frederick, Freeman, Hanna, Huffman, Jenson, Komp, Nathanson, Read,

Richardson, Smith, Williamson

Nays:

Exc: McLane, Tomei

Senate

Yeas: Bates, Devlin, Edwards, Girod, Hansell, Johnson, Monroe, Steiner Hayward, Thomsen, Whitsett, Winters

Nays: Exc:

Prepared By: Kim To, Legislative Fiscal Office

Meeting Date: June 12, 2013

WHAT THE MEASURE DOES: Directs Department of Consumer and Business Services (DCBS) and Oregon Health Authority (OHA) to jointly develop form that health care providers in Oregon must use to request prior authorization for prescription benefits. Requires health care providers and all health benefit plan insurers, public and private, use form. Adds requirement that form include space for additional necessary information. Operative date of July 1, 2015. Declares emergency, effective on passage.

ISSUES DISCUSSED:

• Fiscal impact

EFFECT OF COMMITTEE AMENDMENT: Adds the provisions of this bill to the Insurance Code. Provide that additional information may be requested.

BACKGROUND: Currently, insurance providers require prior authorization forms for certain medications. Often, the providers will have different forms for different medications; additionally, different insurance providers have different forms. The result is that providers generally have dedicated staff to determine the appropriate prior authorization form to use for any given insurance company. Recently a number of insurance providers in Oregon have voluntarily reduced the number of prior authorization forms they require from providers; however there are still insurance providers that have multiple forms.

Senate Bill 382 simplifies the form to a uniform design and length to reduce the administrative costs associated with prescribing medications that require prior authorization from insurance providers.