

May 21, 2015
Testimony in Support of Oregon Senate Bill 93A

Moda Health appreciates the opportunity to submit testimony in support of Senate Bill 93A. Moda Health is a Northwest-based health insurer providing dental, medical and pharmacy insurance and administrative services in Oregon, Washington and Alaska. Among the clients we serve in Oregon are organizations who participate in the State's Oregon Prescription Drug Program, which includes 160,000 members enrolled in the Oregon Educators Benefits Board, SAIF or other self-insured and government programs statewide, as well as ~290,000 under- and uninsured residents who benefit from the drug prices of the Oregon Prescription Drug Program.

Moda appears before this committee today to speak in favor of passage of Senate Bill 93A without amendment. SB93A allows retail pharmacies to dispense up to a 90 day supply of generic medications to individuals who wish to use a retail pharmacy to fill their prescription medication. At the same time, SB93A preserves many of the safeguards that payers of prescription drugs require in order to (1) manage patient safety; (2) ensure the integrity of their pharmacy benefit programs; and (3) that the cost of prescription medications can be controlled.

There are several key provisions of SB93A that we believe are vital to this bill. These include:

- SB93A ensures that patient safety is maintained: SB93A excludes Schedule II drugs from the bill. Schedule II drugs are substances that have a high potential for abuse with severe psychological or physical dependence. These Schedule items are limited to 30-day supplies only. SB93A also excludes Specialty Medications from dispensing at greater than a 30 day supply. Specialty drugs are typically high cost medications that require special handling and administration and require intensive training and follow-up care for patients to effectiveness and patient safety. Ensuring ongoing and regular patient interaction by limiting dispensing volume to 30 days is an important care management strategy for these medications as it provides the opportunity for a pharmacist to check in with a patient to ensure persistence with therapy and that there are no issues with the drug treatment.
- SB93A conforms with a payer's benefit design and reimbursement terms: SB93A limits the ability of pharmacies to dispense 90 day supplies of medications to a payer's existing pharmacy benefit design, formulary placement and the reimbursement terms for the days' supply that are dispensed for a generic drug. These provisions ensure that pharmacies can dispense up to a 90 day supply where appropriate, while also ensuring conformity of plan design and medication controls required by payers to manage a pharmacy benefit.
- SB93A helps to control the high cost of prescription medications: SB93A limits retail pharmacies to dispensing 90 day supplies of generic drugs. Generic drugs represent over 85% of all drugs that are dispensed today. SB93A does not extend to dispensing 90 day supplies at retail pharmacy of other high cost drugs that may require utilization controls, prior authorizations and other methods used by payers to ensure that the most cost effective, therapeutically effective medications are dispensed using a pharmacy benefit. Limiting the 90-day supply provisions of SB93A to lower cost generics makes economic and therapeutic sense.

Each of these provisions is a critical element to the successful compromise that resulted in SB93A. It is for these reasons that Moda Health supports the current bill and urges this committee to pass it without amendment.

Contact: Robert Judge, Director of Pharmaceutical Services
Tel: 503.265.2968
Email: robert.judge@modahealth.com



modahealth.com

601 S.W. Second Avenue Portland, Oregon 97204 ▶ 800-578-1402

