

PRELIMINARY STAFF MEASURE SUMMARY**CARRIER:**

Senate Committee on Senate Health Care

REVENUE: No revenue impact**FISCAL: Fiscal statement issued****Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Zena Rockowitz, Administrator**Meeting Dates:** 4/29, 5/27

WHAT THE MEASURE DOES: Expands the use of the Oregon Prescription Drug Program (OPDP) to include medical assistance recipients and coordinated care organizations. Allows the Oregon Health Authority to deny reimbursement of legend drugs until six months after the United States Food and Drug Administration approval.

ISSUES DISCUSSED:

- Conflict with federal Medicaid Act
- Patient access to needed medications
- Antitrust laws and buyers ability to influence pricing and discounts

EFFECT OF COMMITTEE AMENDMENT: -3 Amendment: Allows Oregon Health Authority (OHA) to require prior authorization in accordance with federal law for drugs that have not been evaluated by the Pharmacy and Therapeutics Committee and are dispensed six months or less after the United States Food and Drug Administration approved the drug for marketing.

BACKGROUND: The Oregon Prescription Drug Program (OPDP) provides drugs at discounts to individuals who have no insurance or whose insurance does not cover their drugs. OPDP also provides discounted drugs for Public Employees' Benefit Board (PEBB), some Oregon Educators Benefit Board (OEBB) members, Oregon Health and Science University (OHSU), Salem Hospital and other groups throughout the state. OPDP joined the Washington Prescription Drug Program to form the Northwest Prescription Drug Consortium. Through the combined purchasing power of the Consortium both states have benefited from savings on the purchases of prescription medications. In addition, the Consortium offers additional opportunities for shared efficiencies reducing each program's administrative costs. Public and private sector group pharmacy benefit plans may join the OPDP and are available to utilize the advantages of the Consortium Contract including transparency, competitive pricing and high quality services. All Oregonians may participate in the OPDP through a prescription medication discount program.