

STAFF MEASURE SUMMARY

CARRIER: Sen. Shields

Senate Committee On Health Care

Fiscal: Fiscal impact issued

Revenue: No Revenue Impact

Action Date: 06/03/15

Action: Do Pass With Amendments. (Printed A-Eng.)

Meeting Dates: 04/29, 06/01, 06/03

Vote:

Yeas: 4 - Knopp, Monnes Anderson, Shields, Steiner Hayward

Exc: 1 - Kruse

Prepared By: Zena Rockowitz, Committee Administrator

WHAT THE MEASURE DOES:

Expands the use of the Oregon Prescription Drug Program (OPDP) to include medical assistance recipients and coordinated care organizations.

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:

Prohibits Oregon Health Authority (OHA) from denying reimbursement for legend drugs prior to recommendation of Pharmacy and Therapeutics Committee or six months after United States Food and Drug Administration approval for marketing (FDA), whichever date is earlier. Removes requirement to wait six months after the FDA has approved a drug for marketing for OHA to reimburse the cost of a legend drug.

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.