

Legislative Fiscal Office

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Joint Committee on Ways and Means

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Rep. David Gomberg, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Human Services Subcommittee

From: Tom MacDonald, Legislative Fiscal Office

Date: June 10, 2019

Subject: HB 2257 – Relating to drugs

House Bill 2257 declares substance use disorder (SUD) as a chronic illness, requires the Department of Corrections to study and report on the treatment of persons with SUD who are in the custody of Oregon correctional facilities, and requires the Oregon Health Authority (OHA) to convene an advisory group to study SUD accreditation standards. The advisory group must provide recommendations for the accreditation requirements by June 30, 2020 and OHA must implement the recommended requirements by January 2, 2021.

The measure also prohibits coordinated care organizations and public payers of health insurance from requiring prior authorizations for reimbursing the cost of SUD medication assisted treatment. Additionally, the bill requires OHA to establish a pilot project to offer SUD treatment to pregnant women. The criteria established for this pilot project are consistent with elements of the Project Nurture program and allow for the use of peer mentors, doulas, and any SUD treatment necessary during the first year after an infant's birth.

The fiscal impact of the measure depends on the number of counties involved in the pilot project and the amount of available funding. For the 2019-21 biennium, a total of \$2.5 million General Fund is expected to be available to support the pilot project. This funding would support one limited duration Policy Analyst 3 position in OHA at the cost of \$237,537 to coordinate with counties, manage contracts, and comply with reporting requirements. The remaining funds will be available to support the community-based contracts.

The -A5 amendment modifies the number of required counties involved in the pilot project. The A-engrossed version of the bill requires OHA to contract with four counties. The amendment revises the number to "up to" four. The amendment also removes the General Fund appropriation established in section 10 of the bill. Upon approval, the \$2.5 million anticipated to be available for the program will be included in OHA's 2019-21 budget bill.

Recommended Amendments

LFO recommends adoption of the -A5 amendment.

MOTION: I move adoption of the -A5 amendment to HB 2257 (VOTE)

Final Subcommittee Action

LFO recommends that HB 2257, as amended by the -A5 amendment, to be moved to the Ways and Means Full Committee.

MOTION: I move HB 2257, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____