

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2678 - B

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

***Only Impacts on Original or Engrossed
Versions are Considered Official***

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Date: June 14, 2019

Measure Description:

Requires Oregon Health Authority to adopt partially aligned preferred drug list for coordinated care organizations. Subject to exceptions, allows authority to require prior authorization for prescription drugs that are not listed on Practitioner-Managed Prescription Drug Plan and that are reimbursed on fee-for-service basis.

Government Unit(s) Affected:

Oregon Health Authority (OHA), Oregon Board of Pharmacy (OBOP), Oregon Medical Board (OMB), Oregon State Board of Nursing (OSBN)

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Analysis:

HB 2678 requires prescriptions to be dispensed in the generic form unless the practitioner prescribes otherwise and prior authorization is granted. The bill allows the Oregon Health Authority (OHA) to withhold payment for drugs not on the prioritized list. The bill requires OHA to adopt and maintain a Practitioner-Managed Prescription Drug Plan for fee-for-service and a partially aligned preferred drug list for coordinated care organizations (CCO). The bill specifies the purpose of the plan, allows a recipient to appeal a denied claim, and requires OHA to update the list regularly through a collaborative process with CCOs.

Oregon Health Authority (OHA)

OHA anticipates the need for a part-time Administrative Specialist 2 position (0.50 FTE) to support the Pharmacy and Therapeutics Committee in complying with requirements to update the partially aligned preferred drug list through a collaborative process with CCOs. The measure may also result in savings related to the partial alignment of the preferred drug list. However, further study is needed to determine how many clients utilize the drugs on the preferred drug list, the impact on CCO rates, the additional administrative costs, and the amount of drug rebates in order to determine the potential savings.

Oregon Board of Pharmacy (OBOP), Oregon Medical Board (OMB), Oregon State board of Nursing (OSBN)

Passage of this bill is anticipated to have minimal fiscal impact to the Oregon Board of Pharmacy, the Oregon Medical Board, and the Oregon State board of Nursing.