

SB 12 -1 STAFF MEASURE SUMMARY

Senate Committee On Health Care

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Meeting Dates: 3/24, 4/5

WHAT THE MEASURE DOES:

Requires benefit plans offered by Public Employees' Benefit Board (PEBB) and Oregon Educators Benefit Board (OEBC) to cover specified costs related to travel to Mexico or Canada to fill and refill prescriptions, including cost of prescription, roundtrip air travel, transportation to and from the pharmacy, and any necessary overnight hotel stay. Requires Boards to specify the prescription drugs that qualify for the program based on anticipated net cost savings.

REVENUE: May have revenue impact, but no statement yet issued.

FISCAL: May have fiscal impact, but no statement yet issued.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 **Replaces measure.** Requires Oregon Health Authority (OHA) to study possibilities for importation and health insurance coverage for travel for public employees to obtain pharmaceuticals from Mexico and Canada. Requires OHA to report to Legislative Assembly by September 15, 2022. Repeals provisions on January 2, 2023.

BACKGROUND:

According to a 2021 RAND report, prescription drug prices in the United States average 2.56 times those seen in 32 other nations. The disparity is especially prevalent for brand-name drugs where prices in the United States average 3.44 times those in comparison nations. According to a 2016 Kaiser Family Foundation poll, 19 million American adults (or 8 percent of the population) imported drugs from Canada or other countries to save money.

Senate Bill 12 requires benefit plans offered by the Public Employees' Benefit Board and Oregon Educators Benefit Board to cover specified costs related to travel to Mexico or Canada to fill and refill prescriptions.