Senate Bill 1506

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced.**

Creates Central Oregon Psychiatric Prescribing Program as pilot program to allow reimbursement of mental health drug costs using capitation payment methodology. Establishes requirements for program. Requires appointment of Mental Health Clinical Advisory Group to establish voluntary evidence-based treatment algorithms for major mental health disorders.

Ends pilot program on June 30, 2014.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to mental health drugs; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) The Central Oregon Psychiatric Prescribing Program is created in the Oregon Health Authority. The primary goal of the program is to improve clinical prescribing practices for and the coordination of psychiatric medications in order to improve individual health and quality of life outcomes for individuals living with mental illness.

(2) Notwithstanding ORS 414.742, the authority shall contract with one or more fully capitated health plans or coordinated care organizations to be reimbursed for the administration of mental health drugs on a capitated basis to patients residing in Crook, Deschutes or Jefferson County or the areas covered by zip codes 97731, 97733, 97737 and 97739.

(3) To participate in the program, a fully capitated health plan or a coordinated care organization must meet all of the following requirements:

(a) Use at least one of the following clinical programs in lieu of traditional utilization management:

(A) An academic detailing program in which retrospective claims data are used to educate prescribers on the cost and quality implications of their prescribing patterns;

(B) A program providing low cost, prepackaged medication samples to prescribers for distribution to patients free of charge;

(C) A medication therapy management services program carried out by pharmacists licensed in this state and targeted to individuals with mental health conditions, designed to increase shared decision-making between patients and prescribers, improve consumer understanding of medications, promote person-directed care, improve medication adherence and prevent complications, drug interactions, inappropriate discontinuation or other adverse outcomes; or

(D) A program using voluntary psychiatric clinical treatment algorithms developed by the Mental Health Clinical Advisory Group convened under subsection (5) of this section.

(b) Have at least 10 percent of the patients of the health plan or coordinated care or-

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

ganization using mental health drugs be affected by the program.

(c) Include clinical, economic and quality of life targets.

(d) Include adequate evaluation and monitoring of clinical and quality of life outcomes and economic outcomes.

(e) Include intervention with medical providers, behavioral health providers and the patient or patient's caregiver with the goals of promoting person-directed care, improving health and quality of life outcomes and improving prescribing practices.

(f) Include all antidepressants and antipsychotic medications, and any psychiatric medication that is approved by the United States Food and Drug Administration, as preferred medications on any formulary used by the health plan or coordinated care organization.

(g) Not limit a patient to less than a 30-day supply of any antidepressant or antipsychotic medication.

(h) Impose no utilization management techniques, including prior authorization, of mental health drugs except as needed for safety purposes.

(4) Incentives or education may be provided to promote any of the clinical prescribing programs identified in subsection (3)(a) of this section so long as the incentives and education are not designed to encourage prescribers to change medications or substitute medications for patients who are stabilized on or are currently responding to and tolerating a medication.

(5) A Mental Health Clinical Advisory Group must be convened to establish voluntary evidence-based treatment algorithms for the treatment of major mental health disorders in the Central Oregon Psychiatric Prescribing Program, if sufficient clinical evidence exists to support a treatment algorithm. In establishing treatment algorithms, the group shall consider all of the following:

(a) Peer-reviewed medical literature.

(b) Observational studies.

(c) Health economics studies.

(d) Input from patients and physicians.

(e) Any other information deemed by the group to be appropriate.

(6) The Mental Health Clinical Advisory Group shall be appointed by the Central Oregon Health Council and must include, at a minimum, all of the following:

(a) Two community psychiatrists.

(b) One child and adolescent psychiatrist.

(c) Two licensed clinical psychologists.

(d) One psychiatric nurse practitioner.

(e) Two primary care providers.

(f) Two pharmacists, including one pharmacist who supplies long term care facilities and special needs clients.

(g) Two representatives of statewide mental health advocacy organizations for children and adults who live with mental illness, with preference given to individuals with personal experience with mental illness.

(7) The Mental Health Clinical Advisory Group shall:

(a) Be independent from any agency of state government;

(b) Be provided with a meeting space, staffing, telecommunications and necessary materials and supplies by the Central Oregon Health Council; and

(c) Post agendas, minutes and a recording of advisory group meetings no later than five days after each meeting.

(8) Each member of the Mental Health Clinical Advisory Group shall be reimbursed by the Central Oregon Health Council for travel expenses incurred in connection with attending advisory group meetings.

(9) The affirmative votes of a majority of the Mental Health Clinical Advisory Group's members are required to take action on any measure, treatment algorithm or recommendation.

(10) The capitation payment to health plans and coordinated care organizations for patients affected by the program must be commensurate with the claims experience for the same medications administered to the patients for the previous six months, exclusive of rebates received or discounts that would not otherwise be available to the health plan or coordinated care organization.

(11) The Oregon Health Authority shall reconcile claims and capitation payments applicable to the program to ensure the solvency of health plans and coordinated care organizations participating in the program. If the reconciliation reveals that the claim expenses exceed the capitation payments by more than one percent, the authority shall provide reimbursement to make the health plans and coordinated care organizations whole.

(12) The Oregon Health Authority shall report annually to the House of Representatives and Senate committees on health care on the implementation of clinical programs in the Central Oregon Psychiatric Prescribing Program and any associated clinical, economic and quality of life outcomes of the program.

(13) The Central Oregon Psychiatric Prescribing Program ends June 30, 2014.

SECTION 2. Section 1 of this 2012 Act is repealed January 2, 2015.

SECTION 3. This 2012 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2012 Act takes effect on its passage.
