Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session Legislative Fiscal Office

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Measure Description:

Requires reimbursement for up to 60-day supply of prescription drug that is prescribed for chronic condition.

Government Unit(s) Affected:

Oregon Health Authority (OHA), Department of Consumer and Business Services (DCBS)

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

Senate Bill 93 with the – 7 amendment requires that if a prescription contraceptive drug is covered by a prescription drug benefit programs or under a health benefit plan, the program or plan must provide reimbursement for up to a 90-day supply of the prescription contraceptive medication, and a 12-month supply of the drug for each dispensing of the drug after the initial dispensing of the drug. The bill specifies that this does not apply to drugs classified as a controlled substance in Schedule II.

Public Employees' Benefit Board (PEBB)

PEBB's largest carrier and consultant estimates, passage of this bill could have a potential fiscal impact of \$1,052,573 Other Funds in the 2015-17 biennium, and \$1,403,430 Other Funds in the 2017-19 biennium which could translate to a potential 0.10% % premium increase.

Oregon Educators Benefit Board (OEBB)

OEBB's largest carrier projects a fiscal impact of \$146,171 Other Funds in the 2015-17 biennium, and \$194,894 Other Funds in the 2017-19 biennium which could translate to a potential 0.02% premium increase.

The difference between PEBB and OEBB projections are due to two main factors: (1) PEBB is self-insured, and OEBB is insured; (2) the drug formularies for each plan differ.

<u>Department of Consumer and Business Services (DCBS)</u> The fiscal impact of this bill to DCBS is anticipated to be minimal.