FISCAL IMPACT OF PROPOSED LEGISLATION

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

Only Impacts on Original or Engrossed Versions are Considered Official

Prepared by:	Meg Bushman-Reinhold
Reviewed by:	Kim To, Tom MacDonald
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Measure Description:

Subject to exceptions, allows Oregon Health Authority to require prior authorization for prescription drugs, other than mental health 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 are indeterminate at this time - See explanatory analysis.

Analysis:

The bill creates a fully-aligned statewide Preferred Drug List that all Coordinated Care Organizations (CCOs) would be required to adopt. Depending on the impact the measure has on the cost of prescription drugs paid by CCO's, this bill could increase costs to the Oregon Health Authority (OHA) through higher rates paid to CCO's, while drug rebates received OHA could create a savings.

The fiscal impact of this bill is indeterminate.