

## Legislative Fiscal Office

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## Joint Committee on Ways and Means

Sen. Betsy Johnson, Senate Co-Chair  
Sen. Elizabeth Steiner Hayward, Senate Co-Chair  
Rep. Dan Rayfield, House Co-Chair

Sen. Jackie Winters, Senate Co-Vice Chair  
Rep. David Gomberg, House Co-Vice Chair  
Rep. Greg Smith, House Co-Vice Chair

**To:** Human Services Subcommittee  
**From:** Tom MacDonald, Legislative Fiscal Office  
**Date:** June 10, 2019  
**Subject:** HB 2678 – Relating to prescription drugs

House Bill 2678 requires the Oregon Health Authority (OHA) to adopt and maintain a Practitioner-Managed Prescription Drug Plan consisting of a preferred drug list for drugs reimbursed on a fee-for-service basis 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. The bill also authorizes OHA to utilize prior authorization for prescription drugs, except mental health drugs, that are not listed on the Practitioner-Managed Prescription Drug Plan and are reimbursed by Medicaid on a fee-for-service basis.

OHA anticipates needing assistance from part-time support staff to meet the bill's requirements. Additionally, the bill could result in savings related to the adoption of a partially aligned CCO prescription drug list. However, potential savings are currently indeterminate and will require further evaluation of the utilization of drugs on the list, as well as evaluation of the potential impact on CCO rates and administrative expenses.

The -A10 amendment requires OHA to grant prior authorization for a drug not on the preferred drug list if a practitioner provides evidence of the drug being clinically superior to, or more medically appropriate than, a drug on the list for the patient's treatment regimen. This amendment is not anticipated to change the estimated fiscal impact of the bill at this time.

### **Recommended Amendments**

LFO recommends adoption of the -A10 amendment.

**MOTION: I move adoption of the -A10 amendment to HB 2678 (VOTE)**

**Final Subcommittee Action**

LFO recommends HB 2678, as amended by the -A10 amendment, be moved to the Ways and Means Full Committee.

**MOTION: I move HB 2678, as amended, to the Full Committee with a do pass recommendation. (VOTE)**

**Carriers**

Full Committee: \_\_\_\_\_

House Floor: \_\_\_\_\_

Senate Floor: \_\_\_\_\_