

**FISCAL IMPACT OF PROPOSED LEGISLATION**

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

**Measure: SB 139 - A**

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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Date: April 9, 2019

**Measure Description:**

Imposes restrictions and reporting requirements for utilization management of health services.

**Government Unit(s) Affected:**

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

**Analysis:**

This fiscal impact statement is for the purpose of transmitting the measure from the Senate Committee on Health Care to the Joint Committee on Ways and Means.

The measure changes portions of the state’s Insurance Code related to prior authorization and step therapy protocols for prescription drugs. The measure requires health insurance providers to:

- Approve requests for prior authorization of a year-long course of treatment with a prescription drug under certain circumstances.
- Establish prior authorization or step therapy protocols and update these on an ongoing basis based on the latest science on developments in treatments.
- Adjudicate reimbursement claims based on the information used to approve prior authorization.
- Report to the Department of Consumer and Business Services (DCBS) certain information on requests received each year for prior authorization.

This measure describes the methods and types of communication, timelines, and processes which an insurer must implement regarding utilization review. Further, the measure outlines responsibilities for coordinated care organizations in relation to utilization management. This measure is anticipated to have an impact on the Oregon Health Authority and the Department of Consumer and Business Services.

A more complete fiscal analysis on the measure will be prepared as the measure is considered in the Joint Committee on Ways and Means.

Further Analysis Required