

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2574 - B**

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

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

Prepared by: MaryMichelle Sosne  
Reviewed by: Ben Ruef, Steve Robbins, Haylee Morse-Miller  
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**Measure Description:**

Requires hospitals to adopt policies and procedures to ensure provision of human immunodeficiency virus post-exposure prophylactic drugs or therapies following patient's possible exposure to human immunodeficiency virus.

**Government Unit(s) Affected:**

Board of Pharmacy, Department of Consumer and Business Services, Oregon Health Authority

**Summary of Fiscal Impact:**

Costs related to the measure may require budgetary action - See analysis.

**Summary of Expenditure Impact:**

	2023-25 Biennium	2025-27 Biennium
<b>Oregon Health Authority</b>		
<b>General Fund</b>		
Personal Services	\$93,024	\$31,008
Services and Supplies	\$166,028	\$221,370
<b>Total General Fund</b>	\$259,052	\$252,378
<i>Total Positions</i>	0	0
<i>Total FTE</i>	0.00	0.00

**Analysis:**

HB 2574-B requires hospitals to adopt policies to dispense human immunodeficiency virus (HIV) post-exposure prophylactic (PEP) drugs or therapies following an individual's exposure to HIV. Additionally, the measure requires hospitals to adopt procedures to allow hospital staff to dispense a minimum five-day supply of HIV PEP drugs or therapies with the patient's consent. The measure directs the Oregon Health Authority (OHA) to provide consenting type A and B hospitals with a 30-day supply of HIV PEP drugs at least once each calendar year. The measure prohibits insurers from requiring cost-sharing of five-day supplies of post-exposure HIV drugs or therapies. The measure applies to health benefit plans issued, renewed, or extended on or after January 1, 2024.

The fiscal impact of the measure is \$259,052 General Fund for the 2023-25 biennium and \$252,378 General Fund for the 2025-27 biennium. The impact includes the cost of purchasing the drug supply and program support. The cost to supply the state's 33 Type A and Type B hospitals with sufficient 30-day supplies of HIV PEP drugs is \$166,028 General Fund for the 18-month period the measure is in effect during the 2023-25 biennium. The full two-year cost of providing the 30-day supply in the 2025-27 biennium is \$221,370 General Fund.

Additionally, part of the time of two existing OHA positions, a Compliance Specialist 3 and Administrative Specialist 1, will be repurposed for program implementation and oversight. These positions are currently funded with Other Funds revenue ineligible to be used for the purpose of the measure. This results in estimated General Fund costs of \$93,024 in 2023-25 and \$31,008 in 2025-27.

The estimated cost of this measure has been revised from the previously published fiscal impact statement. Originally, the fiscal impact statement assumed the need for a new position and additional funding for services and supplies to create and maintain a new inventory management system to track and manage the distribution of HIV PEP drugs from OHA to receiving hospitals. Upon further consideration, OHA determined HIV-PEP drugs could be purchased through existing systems and mailed directly from the manufacturer to the hospital, eliminating the need for a secondary tracking system.

There is a minimal fiscal impact to the Department of Consumer and Business Services, and no fiscal impact to the Oregon Board of Pharmacy.