

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2574 - 5

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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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
Oregon Health Authority		
General Fund		
Personal Services	\$93,024	\$31,008
Services and Supplies	\$174,550	\$230,857
Total General Fund	\$267,574	\$261,865
Other Funds		
Personal Services	\$176,488	\$328,341
Services and Supplies	\$53,360	\$56,962
Total Other Funds	\$229,848	\$385,303
Total Fiscal Impact	\$497,422	\$647,168
<i>Total Positions</i>	0	0
<i>Total FTE</i>	0.00	0.00

Analysis:

HB 2574-5 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 after January 1, 2024. The fiscal impact of the measure is \$438,983 total funds for the 2023-25 biennium and \$569,247 total funds for the 2025-27 biennium.

To complete the work of the measure, OHA requires one new permanent full-time position and will repurpose two existing positions:

- One new permanent full-time Information Services Specialist 8 (0.75 FTE in 2023-25, 1.00 FTE in 2025-27), to create and maintain a new inventory management system to track and manage HIV PEP

drug supplies.

- \$211,692 Other Funds in position costs
- \$17,360 Other Funds and \$7,902 General Fund in position-related services and supplies costs
- An existing Compliance Specialist 3 will implement, oversee, evaluate, coordinate and monitor activities associated with PEP access and an Administrative Specialist 1 position will monitor and track HIV PEP supplies and distribute HIV PEP drugs to hospitals.
 - The Compliance Specialist 3 and Administrative Specialist positions exist currently but are 100% Other Funds supported. To appropriately utilize the partial FTE for the work covered by this bill, the positions would instead be partially paid by General Fund and partially by Other Funds. This results in a \$93,024 General Fund increase and an offsetting reduction in Other Funds of an equal amount.

An additional \$36,000 Other Funds is required for the 2023-25 biennium to provide existing Office of Information Security staff with subscriptions to a cloud-based hosting service for the new program.

All Other Funds costs for OHA do not represent a true expense related to the overall cost of the measure, but rather Other Funds expenditure limitation that would be needed to properly budget for expenses paid through OHA's Shared Services budget structure.

The biennial cost to supply 33 Type A and Type B hospitals with sufficient 30-day supplies of HIV PEP drugs is \$221,370, assuming that each 30-day supply of Biktarvy costs \$3,354.08. For the 2023-25 biennium, the cost for HIV PEP drugs is \$166,028 General Fund (18 months) and for 2025-27 the cost is \$221,370 General Fund.

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