



Legislative Fiscal Office  
83<sup>rd</sup> Oregon Legislative Assembly  
2025 Regular Session

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**Bill Title:** Relating to treatment of human immunodeficiency virus.

**Government Unit(s) Affected:** Department of Consumer and Business Services, Oregon Health Authority

**Summary of Fiscal Impact**

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Health Authority	\$ -	\$ -	\$ 1,450,511	\$ -	\$ 1,450,511	-	-
<b>Total Fiscal Impact</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,450,511</b>	<b>\$ -</b>	<b>\$ 1,450,511</b>	<b>-</b>	<b>-</b>

  

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Health Authority	\$ -	\$ -	\$ 2,844,505	\$ -	\$ 2,844,505	-	-
<b>Total Fiscal Impact</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,844,505</b>	<b>\$ -</b>	<b>\$ 2,844,505</b>	<b>-</b>	<b>-</b>

- While the health care coverage provided by PEBB and OEBB is budgeted as Other Funds, the corresponding revenue comes from premiums paid by state agencies, universities, the K-12 school system and local governments. State agencies finance PEBB premium payments from the revenue streams available in their budgets, including General Fund.

**Measure Description**

The measure requires health benefit plans that currently reimburse the cost of counseling, prevention, and screening services for sexually transmitted infections to also provide coverage for USDA approved human immunodeficiency virus (HIV) prevention drugs and the services required when beginning or continuing the use of HIV prevention drugs. The measure prohibits carriers from requiring cost-sharing, coinsurance, or deductibles for these drugs or services. The measure prohibits health care plans from requiring prior authorization for antiretroviral drugs, drugs prescribed for HIV, or acquired immunodeficiency syndrome. The Oregon Health Authority (OHA) and coordinated care organizations (CCOs) are also prohibited from requiring prior authorization or step therapy for the treatment or prevention of HIV for medical assistance recipients if the drug is approved by the USDA and is deemed medically necessary by the recipient's provider. The measure is effective January 1, 2026.

**Fiscal Analysis**

The expansion of coverage for health benefit plans may be considered a new mandate under the Patient Protection and Affordable Care Act. This Act requires states to offset the cost of required benefits for plans issued through the health insurance marketplace. Federal guidance does not clarify whether these offsets must be paid out of the General Fund or from other state funds such as marketplace assessment funds. If coverage of these services is considered a new mandate, the bill may have a fiscal impact for the state.

Changes to the list of required services that health benefit plans must cover will impact the premiums for employee health plans offered by the Public Employees' Benefit Board (PEBB) and Oregon Educators Benefit Board (OEBB), which are housed in the Oregon Health Authority (OHA). While the health care coverage offered in each program is budgeted as Other Funds, the corresponding revenue largely comes from the premiums paid by state agencies and universities for PEBB's plans and the K-12 school system for OEBB's plans. State agencies finance PEBB's premium payments from the revenue streams available in their budgets, including the General Fund.

The measure will apply to PEBB plans issued, renewed, or extended on or after January 1, 2026, and to OEBB plans issued, renewed or extended on or after October 1, 2026. The measure has no fiscal impact on the Providence Health Plan. However, as the bill changes the focus from HIV prevention to HIV treatment or prevention, Moda Health and Kaiser Permanent expect to see an increase in utilization rates. This increase in utilization rates will result in additional costs of \$767,644 Other Funds expenditure limitation in 2025-27 and \$1 million Other Funds expenditure limitation in 2027-29. For OEBB, the premium increase would result in additional \$682,867 Other Funds expenditure limitation in 2025-27 and \$1.8 million Other Funds expenditure limitation in 2027-29.

The measure will have no fiscal impact on medical assistance recipients as the requirements of the measure are already in place. However, there is an indeterminate amount of lost revenue due to the potential loss of supplemental rebates for preferred drugs.

The measure has no fiscal impact on the Department of Consumer and Business Services.

**Relevant Dates**

The measure takes effect on January 1, 2026.

The measure applies to PEBB plans issued, renewed, or extended on or after January 1, 2026.

The measure applies to OEBB plans issued, renewed, or extended on or after October 1, 2026.