

HB 458, OPIOID MANAGEMENT POLICY AMENDMENTS, (Daw, B)

Anticipated Fiscal Impact:

\$71,410 per year (\$0.29 per employee per month)

Summary:

HB 458 changes how health insurers may provide coverage for opioids. The bill updates accepted reference material for health insurer prescribing policies, removes limits on very high dose prescribing from primary care settings, and prohibits health insurer prescribing policies from conflicting with current scientific evidence or the judgement of a prescriber in prescribing opioids.

PEHP has used prescribing policies for opioids since 2014 and used as a reference for those policies the same materials referenced by HB 458. Use of these policies has led to a decrease in opioid prescribing. Existing policies allow members to receive, without preauthorization, up to 120 morphine equivalents per day and up to 120 units of short acting opioid medication. Access to higher doses or units is available depending on condition (e.g. treatment of cancer pain requires no additional authorization) or consultation with a provider specializing in the treatment of pain.

Lines 67-68 prohibit an insurer from denying a request for opioids outside of the guidelines when a requested and consistent with a provider's judgement. Currently, 15% of the requests received for high dose opioids are denied. We assume these requests would be approved under the proposed language as "provider judgement." The cost of these requests is \$17,520 per year.

Line 54 allows the prescription of very high dose opioids in a primary care setting. We estimate this language will move PEHP member's experience toward opioid patterns before implementation of dispensing policies. The cost to the state employee insurance pool before the policies was \$709,958 and \$431,120 after. We estimate a change in current prescribing and a move toward previous prescribing patterns and cost. Based on our best professional judgement, we would expect a small increase of at least 10%

but no more than 15%. Using the midpoint of 12.5% of that range, we would expect a cost of \$53,890 per year.

As such, we would anticipate the total fiscal impact to the state health insurance risk pool to be \$71,410 per year or \$0.29 per employee per month.