PBM Regulation in Oregon
The beginning:

• HB 2123 (2013)
  – Registration requirement
  – Statutory $50 annual registration fee
  – Restrictions on pharmacy audits
  – Restrictions on MAC pricing and appeals

• Issues: Low fee, unclear enforcement mechanisms
Next steps:

• HB 2388 (2017)
  – Allowed DFR to set annual fee by rule – currently $1,100
  – Empowered DFR to revoke or suspend a registration for misconduct
  – Established a complaints process

• Subsequent rulemaking to clarify other regulatory requirements met industry opposition.
Recent developments:

• HB 2185 (2019)
  – Prohibits “gag clauses”
  – Prohibits PBMs from requiring mail-order
  – Strengthens existing MAC pricing requirements
  – Establishes stronger rulemaking authority

• Next steps – Rulemaking to implement
  – Rulemaking will focus on defining key terms (“specialty drug/pharmacy,” “ancillary service,” “generally available to purchase”)
Oregon Drug Price Transparency Program

• HB 4005: Drug price reporting
  – Health insurers: Top 25 drugs
  – Drug manufacturers: New high-cost drugs, annual price increases

• HB 2658: 60-day notice of drug price increases

• Next steps may include efforts to increase PBM transparency
Questions?
Contact Information

Jesse Ellis O’Brien
Senior Policy Advisor
Oregon Dept. of Consumer & Business Services
Division of Financial Regulation
971-707-3670
Jesse.E.Obrien@oregon.gov