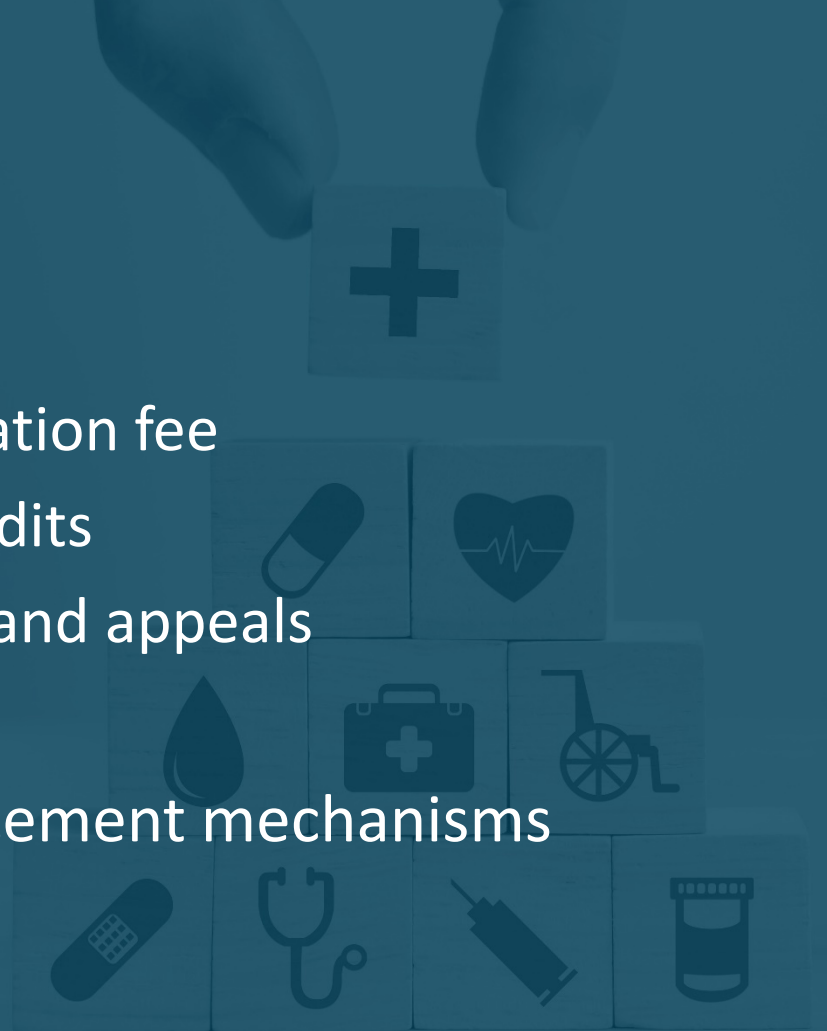


PBM Regulation in Oregon



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?



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