

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2185 - A3**

80th Oregon Legislative Assembly – 2019 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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**Measure Description:**

Imposes new requirements on pharmacy benefit managers registered in this state.

**Government Unit(s) Affected:**

Department of Consumer and Business Services (DCBS), Oregon Board of Pharmacy (OBOP), Oregon Health Authority (OHA)

**Summary of Fiscal Impact:**

Costs related to the measure are indeterminate at this time - See explanatory analysis.

**Analysis:**

HB 2185 - A3 changes requirements for pharmacy benefit managers in Oregon.

Under this measure, pharmacy benefit managers may not restrict a network pharmacy from offering delivery of prescription drugs. Pharmacies may not make a claim for reimbursement of delivery costs unless allowed by the pharmacy benefit manager, and all delivery fees must be disclosed to the customer at the time of purchase.

Pharmacy benefit managers also may not:

- Restrict a network pharmacy from informing an enrollee of the difference between an out-of-pocket drug cost for the enrollee and the pharmacy’s retail price for the drug.
- Hold a network pharmacy responsible for a fee for adjudication of a claim for reimbursement.
- Recoup from the network pharmacy the costs associated with claims for which the network pharmacy has already been paid.

The Oregon Health Authority (OHA) anticipates no costs as a result of this measure in the 2019-21 biennium but does anticipate a cost of \$331,992 Other Funds in the 2021-23 biennium; some of these payments are derived from General Fund resources. This expense is related to an anticipated 0.04 percent rise in premiums for Oregon Educators Benefit Board (OEBB) medical and prescription drug plans administered by Moda. Increased premium rates are the result of pharmacy benefit managers being unable to charge pharmacies an adjudication fee for reimbursement claims submitted through their systems. Moda anticipates that this will lead to an increase in administrative fees when they renegotiate their prescription drug purchasing contract with the Oregon Prescription Drug Program, which is up for renewal on January 1, 2022. Increased fees could be passed on to OEBB participants through higher premiums, but it is unclear what these costs will entail until a new contract is signed.

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