



**Oregon**

Tina Kotek, Governor



Division of  
Financial  
Regulation

Department of Consumer  
and Business Services

## SB 192: Strengthening Oregon's Drug Pricing Programs

### Background

SB 192 is a vehicle for enhancements and technical changes to improve the Department of Consumer and Business Services' prescription drug pricing programs, including the Drug Price Transparency (DPT) Program and the Prescription Drug Affordability Board (PDAB).

These programs are intended to increase transparency and accountability for prescription drug pricing practices, inform the public about the causes of rising prescription drug costs, and advise policymakers about policy options to reduce the cost burden of prescription drugs in Oregon.

The DPT program has been operational since 2019. The members of the PDAB were first appointed in June 2022. SB 192 incorporates improvements to these programs identified by department staff and the board in the course of implementing these new programs.

### Upper Payment Limit Planning

- SB 192 directs the PDAB to develop a plan to establish upper payment limits for prescription drugs in the state that are subject to affordability reviews by the Board, and to report back to the Legislature in 2024. Upper payment limits are a mechanism for containing the cost of drugs to consumers, taxpayers, and the health care system that are in early stages of implementation in several other states. SB 192 will enable a thorough and informed public conversation about the promise and potential impacts of implementing upper payment limits in Oregon.

### PBM reporting

- The bill would establish a new reporting requirement for pharmacy benefit managers (PBMs) as part of the DPT program.

PBMs would be required to submit an annual report with aggregated information about prescription drug rebates and other payments from drug manufacturers received by PBMs. These payments are a key piece of the overall picture of drug



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pricing and this reporting will help clarify the impact of these payments on the health care system and consumers.

The reporting proposal in the bill is modeled on an existing Texas state law. Since PBMs typically operate nationwide, many are already complying with this requirement in Texas.

## Insurer reporting

- SB 192 builds on an existing drug cost reporting requirement for health insurers. Currently, these reports are only required when health insurers file rate proposals for individual and small group health benefit plans. However, not all health insurance carriers in the state offer coverage in the individual and small group markets, meaning that reports are not received from all carriers.

The bill expands reporting to cover all carriers offering health benefit plans in the state to provide a more complete picture of the impact of prescription drug costs.

## Technical fixes

- SB 192 also includes a variety of clarifications and technical fixes to the department's existing drug pricing programs, including:
  - Protecting the confidentiality of personal identifying information reported to the drug price transparency program by individual consumers.
  - Adjusting the membership of the PDAB to transition the alternates into full members of the board; and
  - Consolidating and simplifying the fee statutes that fund the DPT and PDAB programs.

