

HB 3226 A STAFF MEASURE SUMMARY

Senate Committee On Health Care

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Meeting Dates: 5/1, 5/13

WHAT THE MEASURE DOES:

The measure includes pharmacy services administrative organizations (PSAOs) in the definition of "pharmacy." It requires PSAOs to register with the Department of Consumer and Business Services (DCBS) as third party administrators (TPAs), exempting specified PSAOs that are not owned by pharmacy benefit managers. Takes effect on the 91st day following adjournment sine die.

House Vote: Ayes, 55; Excused, 4.

Fiscal Impact: Fiscal Impact Issued

Revenue Impact: No Revenue Impact

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Pharmacy services administrative organizations (PSAOs) serve as intermediaries between pharmacies and pharmacy benefit payers, including health insurers and pharmacy benefit managers (PBMs). PSAOs primarily serve independent and small-chain pharmacies by providing back-office support for administrative functions, including contract negotiation, regulatory compliance, audit and reimbursement assistance, credentialing, and data management. According to a 2024 report by Milliman, 87 percent of Oregon's independent pharmacies contract with a PSAO.

House Bill 3226 A includes pharmacy services administrative organizations (PSAOs) in the definition of pharmacy and requires PSAOs to register with the Department of Consumer and Business Services as third party administrators.