HB 3226 A STAFF MEASURE SUMMARY

Carrier: Sen. Hayden

Senate Committee On Health Care

Action Date:	05/13/25
Action:	Do pass the A-Eng bill.
Vote:	5-0-0-0
Yeas:	5 - Campos, Hayden, Linthicum, Patterson, Reynolds
Fiscal:	Fiscal impact issued
Revenue:	No revenue impact
Prepared By:	Daniel Dietz, LPRO Analyst
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.

ISSUES DISCUSSED:

• Impacts of the measure.

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.