

February 3, 2025

Senator Sara Gelser Blouin  
Oregon Senate  
900 Court St. NE S-211  
Salem, OR 97301

Representative Rob Nosse  
Oregon House of Representatives  
900 Court St. NE H-277  
Salem, OR 97301

**RE: HB 3212 – An Act Relating to Pharmacy Benefits; Amending ORS 735.534 and 743A.062**

Dear Senator Gelser Blouin and Representative Nosse,

On behalf of URAC, thank you for the opportunity to provide written comments on House Bill 3212 pertaining to the state's pharmacy benefits managers laws. URAC applauds your continued efforts to ensure that Oregonians in all parts of the state have access to pharmacy services and options for obtaining their prescription drugs. We appreciate the state's interest in preserving Oregon's critical pharmacy providers, but we have serious concerns that one of the provisions of HB 3212 goes beyond traditional pharmacy benefit manager (PBM) regulation and could inadvertently jeopardize the quality of care provided to the people of Oregon.

We write today to share our thoughts specifically on proposed amendments to Or. Rev. Stat. 735.534, in particular the addition of new subsection (2)(p)(C) that prohibits PBMs from requiring pharmacies to meet accreditation standards that exceed the most basic minimum standards for licensure. Specifically, this provision prohibits PBMs from entering into a contract with a pharmacy or pharmacy services administrative organization that:

(C) Requires the pharmacy to meet unreasonable burdens, as defined by the Department of Consumer and Business Services, including but not limited to requiring accreditation or certification in addition to what is required by the Board of Pharmacy;

We believe that this provision exceeds the bounds of traditional PBM regulation and places Oregonians at risk by eliminating a critical quality component of pharmacy services while providing no corresponding benefit to Oregonians, instead enacting a measure that safeguards pharmacies from being required to meet basic standards for quality and communication with patients.

URAC is the independent leader in promoting health care quality through accreditation, measurement, and innovation. URAC is a non-profit organization that uses evidence-based measures and develops standards through inclusive engagement with a range of stakeholders committed to improving the quality of health care. Our portfolio of accreditation and certification programs spans the health care industry, addressing digital health, health care management and operations, health plans, pharmacies, physician practices, and more. URAC accreditation is a symbol of excellence for organizations to showcase their validated commitment to quality and accountability. Our decades of experience accrediting both PBMs and pharmacies makes us uniquely situated to provide comments on this proposal.

**Corporate Member Organizations**

Academy of Managed Care Pharmacy

America's Health Insurance Plans

American Association of Payers, Administrators and Networks

American Health Quality Association

American Hospital Association

American Medical Association

American Nurses Association

American Property Casualty Insurance Association

American Psychiatric Association

Blue Cross Blue Shield Association

Case Management Society of America

National Alliance of Healthcare Purchaser Coalitions

National Association of Insurance Commissioners

Pharmaceutical Care Management Association

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Board Chair

**Shawn Griffin,**  
MD, FAAP  
President and CEO

As written, proposed new subsection Or. Rev. Stat. 735.534(2)(P)(C) would effectively prohibit PBMs from using the accreditation process to implement any quality standards or safety programs for pharmacies beyond the basic requirements for licensure from the Oregon State Board of Pharmacy. URAC values the critical role that state Boards of Pharmacy play in ensuring the delivery of quality care and medications to patients, but this role and its scope differs greatly from those of accreditation. While Boards of Pharmacy fulfill functions as a regulator and determine whether pharmacies meet minimum licensure thresholds, URAC accreditation builds on the foundational oversight of Boards of Pharmacy by adding a far more comprehensive review of a pharmacy's ability to deliver quality services and care management to patients receiving complex, expensive medications in a consistent and reliable manner. Unlike minimum licensure standards, URAC accreditation validates the operations and care management provided by pharmacies based on quality standards defined by national best practices. This differs from Boards of Pharmacy that focus on a much more limited scope of issues addressing licensure and the environment in which the pharmacy is dispensing drugs. Board of Pharmacy licensure standards on their own are insufficient to deliver high-quality care required for those seeking to serve patients prescribed specialty medications. **The gap that exists between accreditation and minimum licensure represents meaningful steps that result in improved quality and safety.**

URAC strongly discourages states from enacting language prohibiting the use of accreditation standards in network contracting purposes because such restrictions have negative impacts on quality of care and are an unnecessary government intrusion into private contracts. However, should states such as Oregon choose to enact such statutory prohibitions, we would strongly caution against enacting language such as that in HB 3212 that declares these accreditation requirements to be unreasonable. Accreditation standards improve the quality of care provided to patients and provide an important supplement to state board of pharmacy requirements. By definition, these standards are reasonable to PBMs seeking to define a network of pharmacy providers. Legislation such as HB 3212 that would declare such provisions "unreasonable" ignores the clear connection to quality of care at the risk of patients.

The goal of appropriately regulating PBMs is a laudable one. However, we strongly caution against a declaration that accreditation, which holds providers to reasonable best practices meant to protect patients from poor quality care, is unreasonable. Accreditation is intended to be a supplement to basic regulation and provides necessary oversight in many areas that are simply unaddressed by state board of pharmacy requirements. As one example, in an article published in 2024 by the New York Times entitled "Hot Summer Threatens Efficacy of Mail-Order Medications," the potential effects of heat exposure on medications were highlighted. The report noted that increasing temperatures have exacerbated the long-term problem of ensuring that medications reach their intended patient at the appropriate temperature range, but highlighted that boards of pharmacy were ill-equipped to address this challenge. Conversely, accreditation standards provide enhanced standards for medication shipping and temperature control that supplement traditional regulatory approaches. Other areas where accreditation plays a meaningful role in supplementing board of pharmacy requirements include ensuring accurate and detailed communication with patients, as well as applying standards for medication distribution and

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performance measurement. URAC believes that enhancing and improving medication distribution, patient management, shipping logistics, and quality management are reasonable goals for PBMs and cautions against a declaration otherwise.

HB 3212 is a response to a legitimate debate about regulating the practices of PBMs in the State of Oregon. As an accrediting entity, URAC has no position on what constitutes effective state regulation of PBMs nor the best manner of doing so. The remaining provisions of HB 3212 may indeed prove to be of benefit to Oregonians. However, the subsection of HB 3212 declaring accreditation standards to be inherently unreasonable exceeds the bounds of appropriate PBM regulation and threatens the interests of patients. We do not believe that prohibiting accreditation or declaring accreditation standards to be unreasonable will do anything to increase transparency, reduce costs, or improve safety. Rather, the likely effect of such a declaration would be a decrease in quality and safety. There is a legitimate debate that should occur as part of PBM regulation about the use of contracting tools, but this debate does not support a conclusion that accreditation standards are inherently unreasonable.

The training and qualifications of pharmacists, the operational integrity of pharmacies themselves, and the quality of care provided to patients are all enhanced by the application of accreditation standards. HB 3212 would prohibit these important standards declare that these requirements and their impacts on care are unreasonable. URAC believes that such a declaration is factually incorrect and cautions against such a broad policy statement. **Organizations that achieve URAC accreditation are less likely to deliver care that results in harm to patients as they have demonstrated their ability and capacity to care for patients receiving complex drugs. We believe that efforts to enhance that quality of care and protect patients are reasonable and to the benefit of Oregonians.**

If you have any questions about URAC accreditation or if you would like to schedule time to discuss the provisions of HB 3212, please contact URAC's Director, State Relations, Joshua Keepes at [jkeepes@urac.org](mailto:jkeepes@urac.org).

Thank you for your attention to this important matter.

Sincerely,



Shawn Griffin, M.D.  
President and CEO of URAC

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