



February 19, 2025

Representative Rob Nosse  
Chair, House Committee on Behavioral Health and Health Care  
Oregon State Legislature  
900 Court Street NE  
Salem, OR 97301

**RE: ASHP Supports House Bill 2011**

Chair Nosse and Members of the House Committee on Behavioral Health and Health Care,

The American Society of Health-System Pharmacists (ASHP) strongly supports HB 2011, which will protect patients by prohibiting insurers and pharmacy benefit managers (PBMs) from mandating inappropriate dispensing of certain infused and injected prescription drugs exclusively from PBM-affiliated mail order pharmacies.

ASHP is the largest association of pharmacy professionals in the United States, representing 60,000 pharmacists, student pharmacists, and pharmacy technicians in all patient care settings, including hospitals, ambulatory clinics, and health system community pharmacies. For over 80 years, ASHP has championed innovation in pharmacy practice, advanced education and professional development, and served as a steadfast advocate for members and patients.

**What is ‘white bagging’ and ‘brown bagging’?**

White and brown bagging refer to an insurer-driven practice where coverage for physician-administered drugs (such as IV infusions) is conditioned on the drug being dispensed from a PBM-affiliated mail order pharmacy. White bagging occurs when the drug is shipped from a mail order pharmacy directly to the hospital or clinic that administers the drug. Brown bagging occurs when the drug is shipped directly to the patient, who is then responsible for storage, handling and transporting the drug to a medical facility for administration.

**Mandatory white and brown bagging policies degrade overall quality of care.**

A recent study by Moffitt Cancer Center determined that payer-mandated white bagging is associated with a 11.4 percent increase in delayed treatment amongst chemotherapy patients. The study also found that only 48 percent of white bagged drugs arrived in the appropriate time window for administration and 6.5 percent of white bagged drugs were not even shipped from the plan-affiliated pharmacy until after the patient’s dose was already overdue. The study also estimated that an additional 25 percent of the on-time treatments were “near misses” wherein the hospital’s clinical care coordinators had to intervene on the patient’s behalf to prevent a delay.<sup>1</sup>

Additionally, there is strong clinical consensus that requiring a patient to store, handle and transport their own medications (brown bagging) prior to administration places undue burdens on the patient and greatly increases the risk of medication-related errors, adulteration and other complications.

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<sup>1</sup> Komorny et. al, Payer site of care mandates with oncology medications: It’s time to demand payer accountability on behalf of patients, *American Journal of Health-System Pharmacy*, 2023;, zxad078, <https://doi.org/10.1093/ajhp/zxad078>

In light of the associated safety and operational risks, **ASHP strongly believes that white bagging should be reserved to very limited circumstances when necessary to ensure patient access to rare and unusual therapies that are not typically available from the patient’s healthcare provider and that brown bagging should be avoided whenever possible.**

**White bagging increases patients’ out-of-pocket costs.**

Payers insist that white bagging and brown bagging saves money and reduces costs – but for whom? A 2023 analysis of commercial insurance claims found that bagging increased oncology patients’ out-of-pocket costs by \$180 per month on average.<sup>2</sup> None of the 212 patients included in the Moffitt study indicated they felt that white bagging policies were saving them money, but several patients indicated that their out of pocket expenses actually increased when their plans implemented mandatory white bagging policies.<sup>1</sup>

**HB 2011 is necessary to protect Oregon patients and ensure the highest quality of care.**

The three largest PBMs – UnitedHealth Group’s OptumRX, CVS Health Corp’s CVS Caremark and Cigna’s Express Scripts – process nearly 80 percent of all prescription claims in the United States. All three insurers also own and operate networks of mail-order specialty pharmacies. Policies like mandatory white bagging ensure that the maximum amount of professional service fees and reimbursement associated with delivery of covered care are captured exclusively by insurer-owned entities who are insulated from competition and accountability for patient outcomes. This is the only rational explanation as to why payers insist on requiring a means of distribution that is needlessly complicated and in violation of the basic core principles of supply chain management and process efficiency.

**ASHP urges you to vote ‘YES’ to HB 2011 as it is currently written.** HB 2011 would ensure that plans and PBMs are required to permit participating providers to acquire and administer covered physician-administered drugs to patients on equitable terms. This would promote competition by permitting qualified non-affiliate entities equal opportunity to provide the highest quality of covered services to patients.

Thank you for the opportunity to testify in support of this bill. If you have any additional questions or would like further information please contact Kyle Robb ([krobb@ashp.org](mailto:krobb@ashp.org)).

Respectfully,



Kyle Robb, PharmD  
ASHP Director of State Policy & Advocacy

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<sup>2</sup> Shih YT, Xu Y, Yao JC. Financial Outcomes of “Bagging” Oncology Drugs Among Privately Insured Patients With Cancer. JAMA Netw Open. 2023;6(9):e2332643. [doi:10.1001/jamanetworkopen.2023.32643](https://doi.org/10.1001/jamanetworkopen.2023.32643)