OREGON PRIMARY CARE ASSOCIATION

- **House Committee on Behavioral Health & Health Care**
 - HB 3409 -2
 - **April 21, 2025**



What HB 3409 - 2 Does

HB 3409 -2

- Define Covered Entities as 42 U.S.C. 256b(a)(4)(A), (C) to (G) • Allow a PBM to require a modifier ONLY IF a covered entity has NOT submitted
- their data to a clearinghouse of their choosing
- conflict of interest with a covered entity, PBM, or pharmaceutical manufacturer validated 340b claims information to pharmaceutical manufacturers and PBMs necessary to determine whether or not the PBM is eligible for a rebate
- Ensure the covered entity can only select a clearinghouse that does not have a • Ensure the covered entity can only select a clearinghouse that provides • Ensure no additional information is shared/sold/disclosed
- Makes clear that nothing in this requires a PBM to participate in or subscribe to a clearinghouse







What HB 3409 -2 Does Not Do

Medicaid Compliance

- 340B Duplicate Discounts in Medicaid are prohibited by federal law • Oregon uses a nationally recognized clearinghouse model to ensure compliance with Medicaid
- According to OHA's <u>340B State Policy dated January 2024</u>
 - "Oregon does **not** currently use "submission clarification codes" or medical claims modifiers to avoid duplicate discounts or for any other purpose."







Double Payment Problem

Drug manufacturers and PBMs

- The manufacturer pays the PBM a rebate for each unit of a drug dispensed to patients
- Manufacturers DO NOT pay rebates for drugs dispensed under 340B

Duplicate payment avoidance

- PBMs require a claim identifier/modifier be attached to every 340B claim
- Unfortunately, a drug's 340B status is unknown at the point of sale at almost all contract pharmacies











340B compliance is a complicated, thorough process







State Action: 340B Modifier





<u>Eleven</u> states have banned PBM 340B claim identifier requirements

States Ban 340B Claim Identification

State law enacted 2025 bill introduced





THANK YOU

ANY QUESTIONS2

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