

# Senate Bill 625

Sponsored by COMMITTEE ON HEALTH CARE

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Regulates pharmacy benefit manager practices with respect to filling and refilling prescriptions.  
Provides Department of Consumer and Business Services with rulemaking and enforcement powers related to regulation of pharmacy benefit managers.  
Becomes operative January 1, 2016.  
Declares emergency, effective on passage.

## A BILL FOR AN ACT

Relating to pharmacy benefit managers; and declaring an emergency.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1. Section 2 of this 2015 Act is added to and made a part of ORS 735.530 to 735.552.**

**SECTION 2. (1) As used in this section:**

**(a) "Community pharmacy" means a pharmacy that:**

**(A) Provides services to the public;**

**(B) Primarily dispenses prescription drugs to patients on location; and**

**(C) Provides patients with an opportunity to consult with a pharmacist in person.**

**(b) "Covered individual" means an individual who receives prescription drug coverage under a prescription drug benefit program or a health benefit plan.**

**(c) "Health benefit plan" has the meaning given that term in ORS 743.730.**

**(d) "Mail-order pharmacy" means a pharmacy that:**

**(A) Primarily receives orders to fill or refill prescriptions by mail or electronic transmission;**

**(B) Primarily dispenses prescription drugs to patients through the use of the mail or a delivery service; and**

**(C) Primarily provides consultation services to patients by mail or electronic means.**

**(2) A pharmacy benefit manager:**

**(a) Must permit a covered individual to fill and refill a prescription at:**

**(A) Any pharmacy that is part of the network of pharmacies served by the pharmacy benefit manager; or**

**(B) Any community pharmacy that is not a part of the network of pharmacies served by the pharmacy benefit manager if the community pharmacy requests to enter into a contractual relationship with the pharmacy benefit manager for the purpose of participating in the network and agrees to accept the terms, conditions and reimbursement rates of the pharmacy benefit manager for the network.**

**(b) Must reimburse for prescription drugs at the same rate:**

**(A) Any pharmacy that is part of the network of pharmacies served by the pharmacy**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 benefit manager; or

2 (B) Any community pharmacy that is not a part of the network of pharmacies served by  
3 the pharmacy benefit manager if the community pharmacy requests to enter into a con-  
4 tractual relationship with the pharmacy benefit manager for the purpose of participating in  
5 the network and agrees to accept the terms, conditions and reimbursement rates of the  
6 pharmacy benefit manager for the network.

7 (c) May not impose a copayment, fee or other condition on a covered individual who  
8 elects to fill or refill a prescription at a community pharmacy if the pharmacy benefit man-  
9 ager does not impose the same copayment, fee or other condition on a covered individual  
10 who elects to fill or refill a prescription at a mail-order pharmacy.

11 (d) Must, when submitting a claim for a prescription drug to a provider of a prescription  
12 drug program or to a health benefit plan, disclose to the provider or plan whether the  
13 pharmacy benefit manager receives a manufacturer rebate or other additional remuneration  
14 for dispensing the prescription drug and, if the pharmacy benefit manager receives a rebate  
15 or other remuneration, the amount of the rebate or remuneration.

16 (3)(a) This section does not apply to any prescription drug that the Department of Con-  
17 sumer and Business Services finds, pursuant to this subsection, is a specialty drug.

18 (b) The department may find that a prescription drug is a specialty drug if:

19 (A) A pharmacy benefit manager files with the department, in a form and manner pre-  
20 scribed by the department, a request to make a finding that the prescription drug is a spe-  
21 cialty drug; and

22 (B) The prescription drug requires:

23 (i) Special inventory management; and

24 (ii) Increased monitoring of or medical support for patients for whom the prescription  
25 drug is prescribed.

26 (c) Upon request by the department, a representative of the prospective drug use review  
27 program described in ORS 414.369 shall assist the department in making a finding under this  
28 subsection.

29 **SECTION 3.** The Department of Consumer and Business Services shall adopt rules nec-  
30 essary for the administration of ORS 735.530 to 735.552.

31 **SECTION 4.** (1) In addition to any other liability or penalty provided by law, the Depart-  
32 ment of Consumer and Business Services may impose for each violation of a provision of  
33 ORS 735.530 to 735.552 or for each violation of a rule adopted under ORS 735.530 to 735.552 a  
34 civil penalty that does not exceed \$10,000.

35 (2) The department shall impose the civil penalties under this section in the manner  
36 provided by ORS 183.745.

37 (3) All moneys collected by the department pursuant to this section shall be deposited in  
38 the Consumer and Business Services Fund created in ORS 705.145.

39 **SECTION 5.** (1) Sections 2 to 4 of this 2015 Act become operative on January 1, 2016.

40 (2) The Department of Consumer and Business Services may take any action before the  
41 operative date specified in subsection (1) of this section that is necessary to enable the de-  
42 partment to exercise, on and after the operative date specified in subsection (1) of this sec-  
43 tion, all the duties, powers and functions conferred on the department by sections 2 to 4 of  
44 this 2015 Act.

45 **SECTION 6.** This 2015 Act being necessary for the immediate preservation of the public

1 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**  
2 **on its passage.**

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