



The Nation's Advocacy Voice for In-Office  
Infusion

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Oregon Legislature  
House Behavioral Health and Health Care Committee  
Salem, OR

1/23/23

**Re: Support for Oregon HB2715**

Committee Members:

On behalf of the infusion providers we represent in your state, thank you for your service and commitment to the people of Oregon. As a nonprofit trade association that provides a national voice for non-hospital, community-based infusion providers; NICA asks that you please support HB 2715. However, we also encourage slight technical amendments to ensure that our members benefit from this legislation, which will help ensure our ability to continue providing high quality care to your constituents.

Our members often acquire their drug inventory from a wholesaler or distributor and not from an external pharmacy or do not operate a physician dispensing operation. Because of this, the legislation unintentionally excludes our members who acquire their inventory by these means where the legislation conditions protections on acquiring a drug from a pharmacy. NICA encourages the committee members to amend the legislation to include our providers who acquire their drug inventory through means other than those protected by the legislation.

In the infusion space, reimbursement rates for drug administration do not cover the actual expense of administering medications. Infusion providers have historically relied on what is known as "buy-and-bill" to purchase medications for their practices in bulk and then billing patients for their individual treatments. Margins incurred from the buy-and-bill model allow offices to cover administration and overhead costs, and ultimately keeps community-based providers in business.

However, some insurance companies have implemented policies that require Oregon patients to purchase medications from specialty pharmacies—a practice known as "white bagging."



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When a payor requires a patient's medication to be acquired from a specialty pharmacy, the drug is provided by a third-party pharmacy, generally one the payor is affiliated with, and the provider bills for administration only. Specialty pharmacy mandates circumvent the buy-and-bill model infusion providers rely on. If Oregon infusion centers can no longer afford to treat patients due to forced "white bagging," their long-standing patients who rely on them for consistent, local, and quality care will have nowhere to go.

In addition to disrupting the economics of non-hospital infusion offices, specialty pharmacy mandates add unnecessary waste and costs, and ultimately harm patients. White bagging requires that patients pay for their medications before they receive them and before they are even shipped to their providers' offices. If for any reason a patient is unable to receive their treatment, due to weight fluctuation or a change in their condition, that medication, which has already been paid for, is now wasted. However, the patient is still responsible for paying for the drug. By law, the drug cannot be returned, and it cannot be administered to another patient.

These medications cost thousands of dollars and wasting them is completely avoidable through the buy-and-bill model that infusion offices currently use. For many of our providers, working with a specialty pharmacy has led to delays and disruptions in treatment schedules. Practices have reported receiving different quantities than what was ordered or experienced processing and shipping delays.

On behalf of the providers we serve, we urge the Behavioral Health and Health Care Committee to advance HB 2715 and ensure healthcare providers have the flexibility to obtain and administer complex provider-administered drugs in the way that is right for their office.

Sincerely,

A handwritten signature in black ink that reads "Kindyl Boyer". The signature is written in a cursive, flowing style.

Kindyl Boyer  
Director of Advocacy  
National Infusion Center Association