

OREGON WHITE BAGGING PREVENTION

The practice of "White Bagging" is not addressed by the current state legislation regulating pharmacy benefit managers, leaving a gap in patient care and safety. The term White Bagging describes a process where payers make arrangements with select pharmacies to provide and send physician-administered medication directly to clinics for administration to a patient, an act that bypasses the safety processes of the clinic institution by forcing them to prepare and use medication they are not providing or in control of. The payer and their pharmacy then keep the medication revenue. This is dangerous for the patient because it bypasses a pharmacist safety evaluation and supply chain integrity.

The Oregon Society of Health-System Pharmacists (OSHP) is requesting legislation to regulate white bagging to improve patient safety. The bill prevents a health insurance (payer) from denying or reducing payment to a provider or clinic institution for a physician-administered drug that uses medications they obtain and manage as a facet of patient care.

OSHP urges you to support the proposed measure in order to protect medication supply chain integrity and patient safety. Its adoption would push Oregon ahead as a leader in the protections of patient care. Since 2021, 24 states have introduced similar legislation to restrict or prohibit payer-mandated white bagging, and 7 states have enacted the laws fully (VT, TN, LA, AR, VA, WV, NE).

Supporters of this bill includes the Chief Pharmacy Officers from Samaritan Health Services, Asante Health, Legacy Health System, Providence St. Joseph Health, Kaiser NW Health System, and Oregon Health and Science University.

To help ensure patient safety, please support this legislation. Thank you for your consideration.

Prepared by Bill Cross & Niki Terzieff, OSPA & OSHP Government Affairs 12/5/22