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# NOTICE OF PROPOSED RULEMAKING

INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 410
**OREGON HEALTH AUTHORITY**
**HEALTH SYSTEMS DIVISION: MEDICAL ASSISTANCE PROGRAMS**

**FILED: 10/22/2026 8:44 PM**
ARCHIVES DIVISION SECRETARY OF STATE

FILING CAPTION: Amending to clarify 340B billing requirements.

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 11/21/2026 5:00 PM
*The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.*

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Filed By:
Kelsey Gleeson
Rules Coordinator

HEARING(S)
*Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.*

DATE: 11/17/2026
TIME: 11:00 AM - 11:45 AM
OFFICER: Brenna Bird

REMOTE HEARING DETAILS
MEETING URL: Click here to join the meeting
PHONE NUMBER: 669-254-5252
CONFERENCE ID: 1658784994
SPECIAL INSTRUCTIONS:
Meeting ID: 165 878 4994
Passcode: 253462

NEED FOR THE RULE(S):

Existing Medicaid law requires Medicaid state agencies to reimburse 340B pharmacies no more than the pharmacy's 340B acquisition cost. This requirement does not apply to Medicaid managed care. The recent final Notice (and other

informal communications) make it clear that 340B pilot program drugs must not be included in Medicaid drug rebate, and Medicaid programs must continue to pay no more than the post-rebate price

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE:

https://www.federalregister.gov/d/2026-15633/p-186

Plan must ensure that a quarterly 340B price file for each of the manufacturer's 11-digit NDCs is made available to covered entities, so that covered entities may use the price file in conjunction with pharmacy billing systems to appropriately account for actual acquisition cost ( i.e., post rebate price) for Medicaid billing and also to assist with sliding fee scales or cost sharing with patients.

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE:

The proposed rules establish billing and reimbursement requirements for pharmacies participating in the federal 340B Drug Pricing Program to ensure compliance with federal Medicaid requirements and prevent duplicate discounts. The rules apply uniformly to affected pharmacy providers and do not change Medicaid member eligibility, covered benefits, or access to medically necessary prescription drugs.

OHA does not anticipate that the proposed rules will have a direct disparate impact on racial or ethnic groups. However, changes to pharmacy reimbursement practices may indirectly affect access to pharmacy services, particularly for communities that experience existing barriers to health care, including racial and ethnic minority populations.

FISCAL AND ECONOMIC IMPACT:

OHA does not anticipate there will be a fiscal impact from these rule changes.

COST OF COMPLIANCE:
*(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).*

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s).
340B providers should already affected.

(2) Effect on Small Businesses:
(a) Estimate the number and type of small businesses subject to the rule(s);
The number of affected small businesses has not been determined. The proposed rules clarify existing federal requirements and are not anticipated to impose additional obligations on these businesses.

(b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s);
None

(c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply

with the rule(s).
The proposed rules clarify existing 340B billing and reimbursement requirements. Affected providers are already responsible for maintaining records and billing practices necessary to comply with federal requirements. No additional reporting, recordkeeping, or administrative activities beyond existing requirements are anticipated.

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DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

None. Small businesses were not directly involved in the development of the proposed rules, which clarify existing federal 340B billing and reimbursement requirements.

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WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

Rulemaking clarifies federal requirements.

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AMEND: 410-121-0150

RULE SUMMARY: Existing Medicaid law requires Medicaid state agencies to reimburse 340B pharmacies no more than the pharmacy's 340B acquisition cost. This requirement does not apply to Medicaid managed care. The recent final Notice (and other informal communications) make it clear that 340B pilot program drugs must not be included in Medicaid drug rebate, and Medicaid programs must continue to pay no more than the post-rebate price.

CHANGES TO RULE:

410-121-0150
Billing Requirements ¶

(1) All 340B covered entities that fill Medicaid patient prescriptions with drugs purchased at the prices authorized under Section 340B of the Public Health Service Act shall bill Medicaid at the post-rebate actual ~~a~~Acquisition ~~c~~Cost, plus the entity's assigned professional dispensing fee.¶
(2) Pharmacies that purchase drugs at ~~N~~nominal ~~P~~price outside of 340B or the Federal Supply Schedule shall bill their actual ~~a~~Acquisition ~~c~~Cost.¶
(3) With the exception of Indian Health Service pharmacies and Tribal 638 pharmacies, pharmacies who purchase drugs through the Federal Supply Schedule must bill their actual ~~a~~Acquisition ~~c~~Cost. Refer to AI/AN rules OAR chapter 410, division 146 for billing rules for Indian Health Service pharmacies and Tribal 638 pharmacies.~~-~~¶
(4) When billing the ~~Health Systems Division (Division)~~Division for drug products, the ~~p~~Provider:¶
(a) May not bill in excess of the usual and customary charge to the general public:~~-~~¶
(A) The sum of charges for both the product cost and dispensing fee may not exceed a pharmacy's usual and customary charge for the same or similar service;¶
(B) When billing the Division for a prescription, the pharmacy shall bill the lowest amount accepted from any member of the general public who participates in the pharmacy ~~p~~Provider's savings or discount program;¶
(b) Shall indicate the National Drug Code (NDC) as it appears on the package from which the prescribed medications are dispensed;~~-~~¶
(c) Shall bill the actual metric decimal quantity dispensed;~~-~~¶
(d) Unless specifically provided by another rule, when ~~client~~Members have other insurances, shall bill the other insurances as primary and the Division as secondary;~~-~~¶
(e) When ~~client~~Members have Medicare prescription drug coverage, shall bill Medicare as primary and the Division as secondary.~~-~~¶
(5) When submitting a paper claim, the ~~p~~Provider shall furnish accurately all information required on the 1.2 Universal Claims Form.~~-~~¶
(6) The prescribing ~~p~~Provider's National Provider Identifier (NPI) is mandatory on all ~~fee-for-service client~~Open Card Member drug prescription claims. Claims shall deny for a missing or invalid prescriber NPI. An exception to this includes but is not limited to a prescribing ~~p~~Provider who does not have an NPI for billing, but who prescribes fee-for-service prescriptions for ~~clients under Coordinated Care Organizations (CCOs)~~CCO Members, ~~p~~Prepaid ~~h~~Health ~~p~~Plans (PHPs), ~~l~~Long-Tterm ~~c~~Care, or other capitated contracts. This ~~p~~Provider is to be identified with the:¶
(a) Non-billing NPI-assigned for prescription writing only;~~-~~¶

(b) Clinic or facility NPI until an individual NPI is obtained; or¶
(c) Supervising ~~p~~Physician's NPI when billing for prescriptions written by the ~~p~~Physician ~~a~~Associate, physician students, physician interns, or medical professionals who have prescription writing authority.¶
(7) Billing for ~~D~~death ~~W~~with ~~D~~dignity services:¶
(a) Claims for ~~D~~death ~~W~~with ~~D~~dignity services may not be billed through the ~~P~~point-of-~~S~~sale system;¶
(b) Services shall be billed directly to the Division, even if the ~~client~~Member is in a CCO or PHP;¶
(c) Prescriptions shall be billed on a 1.2 Universal Claims Form paper claim form using an NDC number. Claims shall be submitted to the address indicated in the Division's Supplemental Information for Pharmaceutical Services.
Statutory/Other Authority: ORS 413.042, 414.065
Statutes/Other Implemented: ORS 414.065