



## Oregon Division of Financial Regulation Bulletin No. DFR 2018-01

TO: All Entities Offering Health Benefit Plans

DATE: January 5, 2018

RE: Accepting Pharmacy or Medical Billings for Vaccinations Pursuant to House Bill 3276 (2017)

### **Background:**

In 2017, the Legislative Assembly enacted House Bill 3276.<sup>1</sup> The bill grants to the Public Health Director of the Oregon Health Authority the ability to declare a disease outbreak in a particular part of Oregon or across the state. If the director declares that a disease outbreak exists, insurers offering health benefit plans in this state must cover the cost of necessary vaccinations or similar preventative measures to prevent the spread of the disease. The bill further restricts insurers from:

- (a) Requiring that the health services be administered by an in-network provider;
- (b) Imposing cost-sharing requirements that are greater than the cost-sharing requirements for similar covered services;
- (c) Requiring prior authorization or other utilization control measures; or
- (d) Limiting coverage in any manner that prevents an enrollee from accessing the necessary health services.<sup>2</sup>

On November 1, 2017, the Public Health Director declared that an outbreak of meningococcal disease was occurring at Oregon State University (OSU) in Corvallis, Oregon, Benton County.<sup>3</sup> As of December 20, 2017 six cases had been diagnosed among students enrolled at OSU. The declaration is ongoing as of January 5, 2018. As stated in the initial disaster declaration, meningococcal disease is an uncommon but rapidly progressive infection which, without prompt antibiotic therapy, is almost always fatal. Even with antibiotics, mortality is 10%–15%; and 11%–19% of survivors suffer long-term disabilities including deafness, loss of

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<sup>1</sup> 2017 Or Laws ch 719.

<sup>2</sup> *Id.*, at section 2(3).

<sup>3</sup> See Letter from Lillian Shirley, Director of Oregon Public Health, DISEASE OUTBREAK DETERMINATION (November 1, 2017).

limbs, or brain damage.<sup>4</sup> Thus, prompt and efficient administration of preventative measures is crucial.

Because the law and the subsequent declaration allows these health services to be administered outside of an insurer's network, it is very likely that the services could be administered by pharmacists and other similar providers. Given the different providers that might administer such services, reimbursement for health services may be presented to entities offering health benefit plans as either a medical benefit or a pharmacy benefit.

It is the Commissioner's understanding that due to existing plan designs, reimbursements for pharmacy services linked to the disease declaration could be denied, even though doing so would limit coverage in a manner that prevents an enrollee from accessing the necessary health service. The Commissioner intends this bulletin to act as proactive guidance to those offering health benefit plans in the state.

**Commissioner's Guidance:**

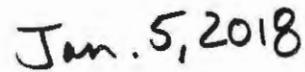
Consistent with the provisions of 2017 Or Laws ch 719, section 2, the Division of Financial Regulation instructs all entities offering health benefit plans to reimburse a provider for vaccinations or other preventative measures under the law, whether the request is coded as a medical benefit or as a pharmacy benefit.

This bulletin takes effect immediately.



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Cameron Smith  
Oregon Insurance Commissioner  
Director, Dept. of Consumer & Business Services



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Date

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<sup>4</sup> *Id.*