

## Memorandum

**To:** Oregon Health Plan hospitals

**From:** Nathan Roberts, Hospital and Professional Services Policy manager

**Date:** Feb. 3, 2026

**Subject:** High-Cost Drug Carve-Out policy effective Jan. 1, 2026

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Beginning Jan. 1, 2026, Oregon Health Authority (OHA) will reimburse certain high-cost drugs as a carve-out. This means OHA will reimburse these drugs on a fee-for-service (FFS) basis for all Oregon Health Plan (OHP) members. This includes members enrolled in a coordinated care organization (CCO).

- The carve-out applies to all claim types (pharmacy, professional and institutional).
- All drugs in this carve-out require prior authorization by OHA.
- CCOs remain responsible for care coordination and all other expenses associated with the drug. This includes the cost of administration.

You can now view the specific drugs included in this carve-out on the High-Cost Drug Carve-Out (HCDCO) list at [www.orpdl.org](http://www.orpdl.org). OHA has also updated the [Hospital Services Provider Guide](#) with prior authorization and billing instructions for products on the HCDCO list.

### What should you do?

For HCDCO drugs administered on or after Jan. 1, 2026:

- Submit prior authorization requests for all OHP members to the Oregon Pharmacy Call Center.

- Bill drugs administered in an inpatient setting to OHA as an outpatient hospital claim. Attach an invoice documenting the acquisition cost. OHA will reimburse at acquisition cost according to invoice, up to wholesale acquisition cost.

Refer to the updated [Hospital Services Provider Guide](#) for details.

## Questions?

Call the Oregon Pharmacy Call Center at 888-202-2126. You can also email OHA's Pharmacy Program at [DMAP.RXQUESTIONS@odhsoha.oregon.gov](mailto:DMAP.RXQUESTIONS@odhsoha.oregon.gov).

