SUBSTITUTE SENATE BILL 6569

State of Washington 64th Legislature 2016 Regular Session

By Senate Health Care (originally sponsored by Senators Cleveland, Becker, Carlyle, Keiser, and Ranker)

READ FIRST TIME 02/05/16.

- 1 AN ACT Relating to the creation of a task force on patient out-2 of-pocket costs; and creating new sections.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

An issue of vital significance in health 4 NEW SECTION. Sec. 1. care is the high out-of-pocket costs for patients, especially for 5 6 those with the greatest needs. When patients have extreme out-of-7 pocket expenses for their medications, many are more likely to experience problems paying for their prescriptions or forgo them 8 altogether because of the cost. Patients that must take multiple 9 prescriptions have the greatest problems paying for them. A recent 10 11 survey shows that forty-three percent of people in fair or poor 12 health and thirty-eight percent of those taking four or more drugs a year say it is 13 somewhat or very difficult to pay for their 14 medications. Forty-three percent of those in fair or poor health and thirty-five percent of those taking four or more drugs say they did 15 16 not fill a prescription or say they cut pills in half or skipped 17 doses because of cost. The legislature acknowledges the role that some pharmaceutical companies play in helping certain patients with 18 assistance in paying for their medications. These programs, however, 19 do not provide relief from extraordinary out-of-pocket costs for all 20 21 affected patients. The legislature recognizes many parties impact the

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prices of prescriptions, including pharmaceutical manufacturers, pharmacy benefit managers, wholesalers, and health plan benefit designs, with specialty tiers and cost-sharing as a percent of the cost of prescriptions. It is therefore the intent of the legislature to create a task force with all parties to focus on fairness for patients and examine opportunities to address the high out-of-pocket costs for patients.

<u>NEW SECTION.</u> **Sec. 2.** (1) The task force on patient out-of-8 pocket costs is created. By July 1, 2016, the department of health 9 10 shall convene the task force and coordinate task force meetings. The 11 task force shall include representatives from all participants with a role in determining prescription drug costs and out-of-pocket costs 12 for patients, such as, but not limited to the following: Patient 13 insurance carriers operating in Washington 14 pharmaceutical companies, prescribers, pharmacists, pharmacy benefit 15 16 managers, hospitals, the office of the insurance commissioner, the 17 health care authority and other purchasers, the office of financial 18 management, unions, a Taft-Hartley trust, a business association, and biotechnology. Letters of interest from potential participants shall 19 be submitted to the department of health, and the secretary, or his 20 21 or her designee, shall invite representatives of interested groups to participate in the task force. 22

(2) The task force shall evaluate factors contributing to the out-of-pocket costs for patients, particularly in the first quarter of each year, including but not limited to: Prescription drug cost trends and plan benefit design. The task force shall consider patient treatment adherence and the impacts on chronic illness and acute disease, with consideration of the long-term outcomes and costs for the patient. The discussion must also consider the impact when patients cannot maintain access to their prescription drugs and the implications of adverse health impacts including the potential need for more expensive medical interventions or hospitalizations and the impact on the workforce with the loss of productivity. The discussion must also consider the impact of the factors on the affordability of health care coverage.

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- 1 (3) The task force recommendations, or a summary of the 2 discussions, must be provided to the appropriate committees of the 3 legislature by December 1, 2016.
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