

# HOUSE BILL REPORT

## HB 2021

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### As Reported by House Committee On: Health Care & Wellness

**Title:** An act relating to the prescription drug assistance foundation.

**Brief Description:** Concerning the prescription drug assistance foundation.

**Sponsors:** Representatives Riccelli, Parker, Cody, Holy, Ormsby and Muri.

#### **Brief History:**

##### **Committee Activity:**

Health Care & Wellness: 2/18/15, 2/20/15 [DPS].

#### **Brief Summary of Substitute Bill**

- Permits the Prescription Drug Assistance Foundation to assist uninsured and underinsured individuals whose income meets established financial criteria.

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### HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 15 members: Representatives Cody, Chair; Riccelli, Vice Chair; Schmick, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Caldier, Clibborn, DeBolt, Jinkins, Johnson, Moeller, Robinson, Rodne, Short, Tharinger and Van De Wege.

**Staff:** Alexa Silver (786-7190).

#### **Background:**

The Prescription Drug Assistance Foundation (Foundation) was established in statute in 2005 as a nonprofit corporation. It is governed by a board of directors appointed by the Governor. Its purpose is to assist qualified uninsured individuals in obtaining prescription drugs at little or no cost. Among other things, it assists patients with accessing free programs provided by drug companies and assists with prior authorization forms.

The Foundation is authorized to receive, solicit, contract for, collect, and hold in trust donations, gifts, grants, and bequests. It may use all sources of public and private funding to

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support its activities, but funds from the State General Fund may not be used for its ongoing operation.

"Qualified uninsured individual" is defined as an uninsured person who is a Washington resident and who has an income below 300 percent of the federal poverty level. "Uninsured" means a person who lacks health insurance coverage including prescription drugs. "Health insurance coverage including prescription drugs" means prescription drug coverage under a private insurance plan, Medicaid, Medicare, the state Children's Health Insurance Program, the Basic Health Plan, or any employer-sponsored health plan that includes a prescription drug benefit.

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### **Summary of Substitute Bill:**

For purposes of the Prescription Drug Assistance Foundation (Foundation) law, "qualified uninsured individual" means an uninsured or underinsured person whose income meets financial criteria established by the Foundation. "Underinsured" is defined as an individual who has health insurance coverage that includes prescription drugs, but for whom the prescription drug coverage is inadequate for their needs. The definition of "health insurance coverage including prescription drugs" includes a plan offered through the Health Benefit Exchange.

### **Substitute Bill Compared to Original Bill:**

The substitute bill modifies the definition of "qualified uninsured individual" to mean a person whose income meets financial criteria established by the Foundation, rather than a person whose income is below 300 percent of the federal poverty level.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date of Substitute Bill:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

### **Staff Summary of Public Testimony:**

(In support) The Prescription Drug Assistance Foundation (Foundation) was created in statute to help patients who need financial assistance to apply for programs that help them obtain medications. Patients receive assistance through free programs provided by drug companies, copay cards that help access insurance coverage, and assistance with prior authorization forms. The Foundation does not receive public funding. It helps patients to access programs that they might not have been aware of otherwise. The Foundation began operation in 2009, launching in Spokane. Today it services Seattle, Shelton, Snohomish County, the Yakima Valley, and other eastern Washington counties. In 2013 the Foundation

served nearly 3,000 patients, helping them access \$12 million in medications. The Foundation has helped a patient with respiratory problems access free inhalers so she no longer uses the emergency room and has helped a patient with a heart transplant access medications that protected the value of the transplant. There is more and more demand from underinsured patients following the Affordable Care Act. This bill is needed to update the statute so that the Foundation may serve underinsured patients and help more people to access the drugs they need.

(Opposed) None.

**Persons Testifying:** Representative Riccelli, prime sponsor; and Kelly Armstrong and Robin Larmer, Prescription Drug Assistance Foundation.

**Persons Signed In To Testify But Not Testifying:** None.