

FINAL BILL REPORT

ESSB 5142

C 12 L 23

Synopsis as Enacted

Brief Description: Creating an account for the pharmaceutical rebate revenue generated by the purchase of medications for people living with HIV who are enrolled in the early intervention program.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Liias, Rivers, Dhingra, Kauffman, Nobles, Trudeau, Valdez, Wilson, C. and Wilson, J.; by request of Department of Health).

Senate Committee on Health & Long Term Care
Senate Committee on Ways & Means
House Committee on Appropriations

Background: The Ryan White HIV/AIDS Grant Program, operated by the U.S. Department of Health and Human Services Health Resources and Services Administration, provides grants to cities, states, counties, and community-based groups to help low-income people with HIV. Grant funding can be used to provide care, medication, and essential support services.

The state Department of Health (DOH) receives grant funding to operate the Early Intervention Program (EIP), which has 4200 people enrolled. EIP provides the following services to help eligible people with HIV:

- payment for certain HIV-related prescription medications—for clients with insurance, EIP may pay what insurance does not for formulary-covered medications;
- client assistance to get an identification number and a pharmacy card—clients can present these to a contracting pharmacy to get their medications, in most cases for a small monthly fee;
- assistance in acquiring insurance and Medicaid eligibility; and
- assistance with insurance premium payments and co-pays on HIV-related medications and office services.

Because EIP funds medications, Washington receives rebate money from pharmaceutical

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companies in addition to grant funds. The grant requires that rebates be spent on the program. Currently, rebate funds are put into the general fund. The projected rebate revenue is \$130 million for the 2023-25 biennium.

Summary: A non-appropriated Medication Rebate Revenue Account is created in the custody of the state treasury. The EIP must deposit any receipts from pharmaceutical rebates generated by the purchase of medications for any person enrolled in EIP into the account. The expenditures may only be used for services defined in the grant award from the Ryan White HIV/AIDS Grant Program and only the Secretary of Health or the secretary's designee may authorize expenditures from the account.

Votes on Final Passage:

Senate	49	0
House	97	0

Effective: July 1, 2023