## 5857-S AMS PARL NEED 091

## <u>SSB 5857</u> - S AMD TO S-2592.2 283 By Senators Parlette, Conway

ADOPTED 03/11/2015

1 On page 3, line 21 after "purchase" strike "<u>at or below the list</u> 2 <u>price</u>"

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On page 4, line 30 after "<u>commissioner.</u>" Strike all language 5 beginning with "<u>(a)</u>" down through page 5, line 3 after "<u>(c)</u>" and 6 insert the following: 7 "(<u>a) All relevant information from the parties may be presented to the 8 commissioner, and the commissioner may enter an order directing the 9 pharmacy benefit manager to make an adjustment, deny the pharmacy 10 appeal, or take other actions deemed fair and equitable. (b)"</u>

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12 On page 5, line 24 after "work group" strike all language down 13 through and including line 34, and insert the following:

(1) Review the entire drug supply chain including plan and pharmacy benefit manager reimbursements to independent pharmacies, wholesaler or pharmacy service administrative organization price to independent pharmacies, and drug manufacturer prices to independent pharmacies;

"assignments may include, but are not limited to the following:

20 (2) Discuss suggestions that recognize the unique nature of small 21 retail pharmacies and possible options that support a viable business 22 model that do not increase the cost of pharmacy products;

(3) Review the availability of all drugs on the list and list24 prices for community retail pharmacies;

(4) Review the phone contacts and standards for response times andavailability;

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1 (5) Review the pharmacy acquisition cost from national or regional 2 wholesalers that serve community retail pharmacies in Washington, and 3 consider when or whether to make an adjustment and under what 4 standards. The review may assess the timing of pharmacy purchases of 5 products and the relative risk of list price changes related to the 6 timing of dispensing the products; and

7 (6) The work group must provide periodic updates to the joint 8 select committee on health care oversight."

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## EFFECT:

- Removes the requirement that all the drugs on the MAC list be readily available at or below the list price to community retail pharmacies (moves it to the study)
- Retains the appeals process, but removes the description of a standard for finding there must be an adjustment (moves it to the study)
- Allows all parties to present information to the OIC for the appeal, and the OIC may enter an order directing the PBM to make an adjustment, deny the appeal, or take other actions deemed fair and equitable
- Adds items to the work group: the review of the MAC list drugs and prices for community retail pharmacies, the review of the phone contacts and standards for response times and availability; review of the pharmacy acquisition cost and when or whether to make an adjustment and under what standards, including assessing the timing of pharmacy purchase and relative risk of list price changes related to the timing of dispensing the products.

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