CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 6569

Chapter 25, Laws of 2016

64th Legislature Veto Override 2016 1st Special Session

PATIENT OUT-OF-POCKET COSTS--TASK FORCE

EFFECTIVE DATE: 6/28/2016

Passed by the Senate February 17, 2016 CERTIFICATE Yeas 49 Nays 0 I, Hunter G. Goodman, Secretary of Senate of the State of BRAD OWEN Washington, do hereby certify that the attached is **SUBSTITUTE SENATE** President of the Senate BILL 6569 as passed by Senate and the House of Representatives on the dates hereon set forth. Passed by the House March 2, 2016 Yeas 78 Nays 19 HUNTER G. GOODMAN Secretary FRANK CHOPP Speaker of the House of Representatives FILED March 30, 2016 Vetoed March 10, 2016 10:28 PM

JAY INSLEE

Governor of the State of Washington

Secretary of State

State of Washington

SUBSTITUTE SENATE BILL 6569

Passed Legislature - Veto Override 2016 1st Special Session

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:

Sec. 1. An issue of vital significance in health 4 NEW SECTION. 5 care is the high out-of-pocket costs for patients, especially for 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 10 prescriptions have the greatest problems paying for them. A recent 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 medications. Forty-three percent of those in fair or poor health and 14 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 20 be submitted to the department of health, and the secretary, or his 21 or her designee, shall invite representatives of interested groups to participate in the task force. 22

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- (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.
- 36 (3) The task force recommendations, or a summary of the 37 discussions, must be provided to the appropriate committees of the 38 legislature by December 1, 2016.

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Passed by the Senate February 17, 2016. Passed by the House March 2, 2016. Vetoed by the Governor March 10, 2016. Filed in Office of Secretary of State March 30, 2016.

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