
Health Care & Wellness Committee

E2SSB 6087

Brief Description: Imposing cost-sharing requirements for coverage of insulin products.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Keiser, Conway, Das, Hasegawa, Hunt, Kuderer, Pedersen, Randall, Rolfes, Stanford, Saldaña, Wilson, C. and Sheldon).

Brief Summary of Engrossed Second Substitute Bill

- Limits out-of-pocket expenses for a 30-day supply of insulin to \$100.
- Requires the Health Care Authority to monitor the price of insulin.

Hearing Date: 2/25/20

Staff: Kim Weidenaar (786-7120).

Background:

State Agency Work on Prescription Drug Costs.

In 2016 the Department of Health convened a task force to evaluate factors contributing to out-of-pocket costs for patients, including prescription drug cost trends. The same year, the Health Care Authority (HCA) and the Office of Financial Management prepared a report on prescription drug costs and potential purchasing strategies. The report describes increases in state agency spending on prescription drugs in recent years, current cost drivers, strategies to slow the rate of prescription drug spending, and policy options.

Insulin.

According to data from the All Payer Claims Database (APCD), in 2018, approximately 90,000 Washington residents filled 771,000 prescriptions for insulin, which represents a 15 percent increase since 2014. This number does not include Veteran's Administration plans and some self-insured plans not captured by the APCD.

Summary of Bill:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Health plans, including health plans offered to public employees and their dependents, issued or renewed on or after January 1, 2021, must cap the total amount that an enrollee is required to pay for a 30-day supply of insulin at \$100. Beginning January 1, 2022, for every \$100 increase in the cost of insulin to a health plan, the health plan may submit a request to the Office of the Insurance Commissioner to increase the out-of-pocket cost by \$5.

Prescription insulin drugs must be covered without being subject to a deductible, and any cost sharing paid by an enrollee must be applied toward the enrollee's deductible obligation. The requirements of the bill expire on January 1, 2023. High deductible health plans will be exempt from the cost-sharing cap in the event federal guidance changes concerning insulin as a preventative care. The HCA must monitor the wholesale acquisition cost of insulin products sold in Washington.

Appropriation: None.

Fiscal Note: Available.

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