

# SENATE BILL REPORT

## SHB 2021

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As Reported by Senate Committee On:  
Health Care, March 26, 2015

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

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

**Sponsors:** House Committee on Health Care & Wellness (originally sponsored by Representatives Riccelli, Parker, Cody, Holy, Ormsby and Muri).

**Brief History:** Passed House: 3/04/15, 98-0.

**Committee Activity:** Health Care: 3/19/15, 3/26/15 [DP].

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### SENATE COMMITTEE ON HEALTH CARE

**Majority Report:** Do pass.

Signed by Senators Becker, Chair; Dammeier, Vice Chair; Frockt, Ranking Minority Member; Angel, Bailey, Brown, Cleveland, Conway, Jayapal, Keiser, Parlette and Rivers.

**Staff:** Mich'l Needham (786-7442)

**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 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,

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the Basic Health Plan, or any employer-sponsored health plan that includes a prescription drug benefit.

**Summary of Bill:** For purposes of the 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.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: The Foundation started in Spokane as a way to work with Pharmacies and provide assistance with drug costs to the uninsured. This bill helps us expand assistance to the underinsured. There are many newly insured people in the Exchange that are not able to afford their prescription costs and this voluntary program is a way to offer assistance. Over the lifetime of the Foundation we have provided over \$40 million in drug assistance in Washington. It is an important option to address gaps in access to drugs, and we see the changing landscape has created new gaps for underinsured or those with inadequate drug coverage and this change will allow us to provide assistance. The Foundation helps patients access medications free through the programs set up by the manufacturers. Each manufacturer has set up their own guidelines and the Foundation helps provide access to the programs. In 2013 we provided assistance to nearly 3000 patients.

**Persons Testifying:** PRO: Representative Riccilli, prime sponsor; Deanne Calvert, Prescription Drug Assistance Foundation Board Member, Sanofi; Rod Shutt, Prescription Drug Assistance Foundation; Todd Myers, citizen.

**Persons Signed in to Testify But Not Testifying:** No one.