
ENGROSSED SUBSTITUTE HOUSE BILL 2565

State of Washington 65th Legislature 2018 Regular Session
By House Health Care & Wellness (originally sponsored by
Representative Schmick)

READ FIRST TIME 02/02/18.

1 AN ACT Relating to drug and gene therapy payment for medicaid
2 managed care organizations; and adding a new section to chapter 74.09
3 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 74.09
6 RCW to read as follows:

7 (1) The drug utilization review board, established by the
8 authority in accordance with federal medicaid regulations, shall
9 include among its voting members a representative from each managed
10 care organization that is contracted to administer a managed care
11 plan under this chapter. The representative of each managed care
12 organization must be either a chief medical officer, medical
13 director, or pharmacy director.

14 (2) In addition to other responsibilities required under federal
15 law, the drug utilization review board shall consider the safety,
16 efficacy, and cost-effectiveness of new drugs and innovative
17 therapies compared to other equally effective, more conservative, or
18 substantially less costly courses of treatment that are available or
19 suitable in its recommendations to the director of the authority
20 regarding drugs and innovative therapies to be included in coverage
21 for medical assistance programs under this chapter. Any consideration

1 of the cost of the drug by the drug utilization review board must
2 reflect: (a) The total cost of care associated with the course of
3 treatment for which the drug is prescribed, such as transportation,
4 housing and treatment of adverse events; (b) costs to the state
5 medical assistance program that may be incurred if the patient does
6 not receive the prescribed course of treatment; and (c) examples of
7 other services offered through the state medical assistance program
8 that could be funded. To the extent that the drug utilization review
9 board has mutual membership and jurisdiction with the pharmacy and
10 therapeutics committee established by the authority pursuant to RCW
11 70.14.050, the drug utilization review board's recommendations and
12 conclusions related to cost-effectiveness shall be separated from the
13 deliberations of the pharmacy and therapeutics committee.

14 (3) Nothing in this section limits the authority's discretion to
15 select other members as necessary to meet the purposes and
16 composition of the drug utilization review board as required by
17 federal law.

18 (4) For the purposes of this section, the term "course of
19 treatment" may include mere observation or, where appropriate, no
20 medical treatment at all.

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