
Health Care & Wellness Committee

E2SHB 2662

Brief Description: Reducing the total cost of insulin.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Maycumber, Cody, DeBolt, Tharinger, Chopp, Harris, Macri, Thai, Chambers, Caldier, Duerr, Hudgins, Chapman, Steele, Gildon, Eslick, Robinson, Irwin, Lekanoff, Senn, Doglio, Gregerson, Peterson, Goodman, Leavitt, Frame, Pollet, Riccelli, Volz, Davis and Kloba).

Brief Summary of Engrossed Second Substitute Bill

- Establishes the Total Cost of Insulin Work Group.
- Caps the total out-of-pocket cost for a 30-day supply of insulin at \$100 for two years.

Hearing Date: 1/28/20

Staff: Kim Weidenaar (786-7120).

Background:

Prescription Drug Purchasing Consortium.

In 2005 the Legislature directed the Health Care Authority (HCA) to establish a prescription drug purchasing consortium. In addition to state agencies, the consortium may include, on a voluntary basis, local government, private entities, labor organizations, and individuals without insurance, or who are underinsured for prescription drug coverage. State purchased health care services purchased through health carriers and health maintenance organizations are exempted from participating in the consortium. In 2006 Washington and Oregon formed the Northwest Prescription Drug Consortium (Northwest Consortium) to expand their purchasing power. The

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

Northwest Consortium offers access to retail pharmacy discounts, pharmacy benefit management services, rebate management services, and a prescription discount card for uninsured residents.

Summary of Engrossed Second Substitute Bill:

The Total Cost of Insulin Work Group is established with representatives from the following organizations appointed by the Governor:

- the Prescription Drug Purchasing Consortium; the Pharmacy Quality Assurance Commission;
- an association representing independent pharmacies; an association representing chain pharmacies;
- each health carrier offering at least one health plan in the commercial market in the state; each health carrier offering at least one health plan to state or public school employees in the state; an association representing health carriers;
- the Public Employees' Benefits Board or the School Employees' Benefit Board;
- the Health Care Authority (HCA); a pharmacy benefit manager that contracts with state purchasers;
- a drug distributor or wholesaler that distributes or sells insulin in the state;
- a state agency that purchases health care services and drugs for a selected population; and the Attorney General's Office.

Appropriation: None.

Fiscal Note: Requested on 1/22/20.

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