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## HOUSE BILL 1869

State of Washington 66th Legislature 2019 Regular Session

By Representatives Schmick and Cody

Read first time 02/04/19. Referred to Committee on Health Care & Wellness.

- AN ACT Relating to establishing the emerging therapies work
- 2 group; creating a new section; and providing an expiration date.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. (1) The emerging therapies work group is established to provide a comprehensive analysis of emerging therapies and their impacts on patients.
  - (2)(a) The work group shall consist of the following members:
- 8 (i)(A) Two members from the health care authority, appointed by 9 the director of the health care authority;
- 10 (B) Two members from the office of financial management, 11 appointed by the director of the office of financial management; and
- 12 (C) Two members who are experts in the fiscal impact of emerging 13 therapies on the state budget, appointed by the office of financial 14 management;
- 15 (ii) Members from the following fields who are appointed by the 16 director:
- 17 (A) At least one specialist in health care economics;
- 18 (B) At least one expert in nongene-based emerging therapies;
- 19 (C) At least one expert in gene-based emerging therapies;
- 20 (D) At least one medical ethicist;
- 21 (E) At least one rare disease specialist;

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- 1 (F) At least one physician or osteopathic physician;
  - (G) At least one pharmacist;
- 3 (H) At least one psychologist;

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- (I) At least one health care actuary;
- 5 (J) At least one representative of the biotechnology industry; 6 and
  - (K) At least one representative of a rare disease pharmaceutical company; and
- 9 (iii) An equal number of the members from each of the following 10 categories who are appointed by the director of the health care 11 authority:
  - (A) Representatives from managed care organizations providing services to enrollees in medical assistance programs under chapter 74.09 RCW;
  - (B) Representatives from managed care organizations that have a contract with either the public employees benefits board or school employees benefits board; and
  - (C) Representatives of nonprofit patient advocacy organizations based in Washington that represent rare diseases and those likely to benefit from gene therapy in the next five years.
  - (b) The members appointed under (a)(ii) of this subsection must have experience in emerging therapies and be based in Washington. Except for the member under (a)(ii)(K) of this subsection, none of the members appointed under (a)(ii) of this subsection may be employed by or under contract with a pharmaceutical company.
  - (c) The work group may invite a representative of the office of the superintendent of public instruction and a representative of the department of social and health services to participate to the extent that they may assist the work group in determining the overall costbenefit analysis.
  - (3) The work group must consider the following topics in its comprehensive analysis of emerging therapies and their impacts on patients, especially those patients who are enrolled in medicaid, a plan offered by the public employees benefits board, or a plan offered by the school employees benefits board:
    - (a) Long-term funding for emerging treatments;
- 37 (b) Potential funding options between manufacturers and the 38 state, such as value-based purchasing and financing options;
- 39 (c) Different payment options between the state and managed care 40 organizations;

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- 1 (d) Quality oversight and outcome tracking of providers and 2 facilities administering the emerging therapy; and
  - (e) Management of patients eligible for emerging therapies with consideration of the benefit to the overall state budget.
  - (4) The work group shall be chaired by one of the members from either the health care authority or the office of financial management. The work group must meet six times at the call of the chair.
  - (5) By November 16, 2020, the emerging therapies work group shall submit its report to the governor and the appropriate committees of the legislature. The report shall include a comprehensive analysis of emerging therapies and their impacts on patients, especially those patients who are enrolled in medicaid, a plan offered by the public employees benefits board, or a plan offered by the school employees benefits board. The report shall include any regulatory recommendations to state agencies and legislative recommendations to the legislature.
  - (6) The health care authority must provide administrative, research, and report development support to the work group.
- 20 (7) For the purposes of this section, "emerging therapy" means a 21 health care treatment that costs over one hundred thousand dollars 22 annually.
  - (8) This section expires July 1, 2021.

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