

SENATE BILL REPORT

SB 5546

As of January 19, 2022

Title: An act relating to insulin affordability.

Brief Description: Concerning insulin affordability.

Sponsors: Senators Keiser, Van De Wege, Cleveland, Conway, Frockt, Hasegawa, Hunt, Lovick, Nguyen, Pedersen, Randall, Stanford and Wilson, C..

Brief History:

Committee Activity: Health & Long Term Care: 1/19/22.

Brief Summary of Bill

- Limits out-of-pocket expenses for a 30-day supply of insulin to \$35.
- Directs the Total Cost of Insulin Work Group to develop strategies to provide a once yearly emergency 30-day supply of insulin.

SENATE COMMITTEE ON HEALTH & LONG TERM CARE

Staff: Greg Attanasio (786-7410)

Background: In 2020, the Legislature directed health plans, beginning January 1, 2021, to limit an enrollee's out-of-pocket expenses for insulin to \$100 for a 30-day supply. The out-of-pocket limit is set to expire on January 1, 2023.

Also in 2020, the Legislature established the Total Cost of Insulin Work Group (work group) within the Health Care Authority. The work group was directed to review and design strategies to reduce the cost of total expenditures on insulin in this state. Strategies the work group must consider include, but are not limited to:

- a state agency becoming a licensed drug wholesaler;
- a state agency becoming a registered pharmacy benefit manager and

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- a state agency purchasing prescription drugs on behalf of the state directly from other states or in coordination with other states.

Summary of Bill: Beginning January 1, 2023, health plans must cap the total amount an enrollee is required to pay for a covered insulin drug at an amount not to exceed \$35 per 30-day supply. This limit expires on January 1, 2024.

The work group must design strategies to provide a once yearly 30-day supply of insulin to individuals on an emergency basis. The strategies identified by the work group must include recommendations on eligibility criteria, patient access, program monitoring, and pharmacy reimbursement.

The due dates for work group reports are extended to December 1, 2022, for its preliminary report, and July 1, 2023, for its final report.

Appropriation: None.

Fiscal Note: Requested on January 10, 2022.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill contains several effective dates. Please refer to the bill.

Staff Summary of Public Testimony: PRO: Insulin needs to remain affordable for those who need it. Emergency access to insulin is an important component of the bill and can be the difference between life and death. Copays are not the only expense for a person with diabetes and other related medical expenses are also expensive. The copay cap would align with Medicare Part D.

OTHER: Health plans are not opposed to extending cap but are concerned about lowering the amount. Health plans are not opposed to re-balancing the work group membership.

Persons Testifying: PRO: Senator Karen Keiser, Prime Sponsor; Cindi Laws, Health Care for All Washington; Elyette Weinstein, retired; Jennifer Perkins; Madison Johnson, #insulin4all; Laura Keller, American Diabetes Association; Marcee Stone-Vekich.

OTHER: Chris Bandoli, Association of WA Healthcare Plans.

Persons Signed In To Testify But Not Testifying: No one.