



January 23, 2018

RE: SB 5586 (Letter of Concern)

Dear Members of the Legislature,

Our organizations are dedicated to improving access to quality, affordable, and equitable care. We like many others are frustrated by recent reports on price spikes for some medications. However, as patient advocates, we are also concerned about the ongoing business patterns established by other health care stakeholders, including health insurance companies, wholesalers, pharmacy benefit managers, and others, who restrict access to care and continuously shift costs onto patients.

A careful examination of drug pricing should be done through the lens of putting patients care and access first. Any legislative effort to address pricing needs to look holistically at all cost drivers within healthcare if there is to be any meaningful impact on the prices consumers are paying.

As currently drafted, SB 5586 does not meet our core, patients-first criteria. Specifically, we are concerned that:

SB 5586 Will Unintentionally Threaten Patient Access to Medication

Advance notice of price increases can lead to stockpiling of medications by wholesalers and other direct purchasers across the nation. The resulting shortages can lead to disruptions in access to medicine and jeopardize the health of those living with chronic conditions. SB 5586 fails to include any requirement that these hugely profitable corporations actually pass drug cost savings from its “transparency mandates” through to patients.

SB 5586 Does Not Account for the Value of Medication or Address All Cost Drivers of Prescription Drugs

Medication plays an extremely valuable role in the lives of millions of Washington patients living with chronic health conditions, but medication is only one part of a much larger, complicated health care network. For example, SB 5586 does not address other potentially significant medication cost-drivers such as pharmacy benefit managers (PBMs). Although one of the central purposes of PBMs is to leverage the number of people they represent to negotiate lower

prices from manufacturers, it is unclear whether PBMs save insurance carriers any money at all, or whether any savings are ultimately passed on to patients instead of company shareholders.

We share your desire to lower health care costs for Washingtonians; however, we are concerned that SB 5586 could actually negatively impact the ability of patients to access their medication, while also doing nothing to address the net cost that patients actually pay. Therefore, we urge you to protect patient access to care, to proceed cautiously and deliberatively with this legislation. We stand ready to provide the patient perspective on this and related measures.

Sincerely,

Chronic Care Policy Alliance
National Association for the Advancement of Colored People -
Alaska, Oregon & Washington –Armed Services & Veterans Affairs Committee
IFAA - International Foundation for Autoimmune & Autoinflammatory Arthritis
National Council of Asian Pacific Islander Physicians
Neuropathy Action Foundation
RetireSafe
Lupus Foundation of America
National Minority Quality Forum
US Pain Foundation
Vietnam Veterans of America
Western Section of the American Urological Association
Caregivers Voices United
Caregiver Action Network
The Myositis Association
The AIDS Institute
US Black Chambers
Vet's Place Northwest- Welcome Home
HealthyWomen
Men's Health Network
Global Healthy Living Foundation
National Alliance for Caregiving
American Autoimmune Related Diseases Association
The Foundation for Peripheral Neuropathy
One in Four Chronic Health
Washington State Grange
Epilepsy Foundation Northwest