ENSURING ACCESS THROUGH COLLABORATIVE HEALTH

January 13, 2025

Washington Prescription Drug Affordability Board
Washington Health Care Authority
PO Box 42716
Olympia, Washington 98504-2716

RE: Public Comments on Drug Selection Criteria and Cost Reviews

Dear Members and Staff of the Washington Prescription Drug Affordability Board:

The Ensuring Access through Collaborative Health (EACH) Coalition is a network of national and state patient organizations and allied groups that advocate for treatment affordability policies that consider patient needs first.

We look forward to engaging with the board to improve the cost-review process and ensure it ultimately benefits the patients who rely on the drugs under review. We respectfully urge the board to consider the concerns of patient organizations outlined in this letter. We offer our coalition as a resource to board members seeking to connect with patient organizations and patients.

Focus Policies on Patient Burdens and Affordability

Ultimately, we know that defining affordability is a key aspect of the drug review process that the Washington board is seeking to improve. We implore the board, to the extent that it is able to within its statute, focus on defining affordability based on patient-reported costs and concerns.

Throughout board deliberations on the weighting of cost criteria, several members have emphasized the need to focus on patient out-of-pocket costs as a key metric in determining affordability. We applaud this principle and urge the board to continue to prioritize patient costs and perspectives throughout the cost review process.

Furthermore, we urge the board to focus on patient-reported obstacles to care and address the underlying factors that contribute to patient hardship in affording and accessing their needed medications. Failing to resolve the underlying factors that lead to higher costs for patients can result in short-term relief and uneven benefits – aiding some but potentially leaving others with higher costs and drug accessibility challenges.

Patient Access Cannot Be Compromised

We applaud the board for taking a methodical and thoughtful approach to reviewing and implementing the drug selection criteria that will be used in Washington. Throughout deliberations, the board has discussed that, due to statutes set for drug selection criteria in Washington, most of the medications subject to review are biologics or specialty drugs.

The majority of patients who rely on biologics or specialty medications are those with chronic conditions, which are incredibly complex to treat. Each patient faces a unique experience and should be able to work with their doctor to identify the treatment that works best for them. Substituting or requiring patients to change drugs based on cost considerations instead of

medical needs can disrupt the continuity of care and result in complications and higher overall medical costs.

We are concerned that cost reviews and upper payment limits (UPLs) can further complicate an already complex healthcare marketplace and limit patients' access to needed medications in the future.

Cost Reviews and UPLs Could Compromise Patient Access to Medications

At their core, cost reviews necessitate selecting individual drugs for review and implementing market interventions for the selected drugs. This alone puts PDABs in a position of picking winners and losers between drugs and within the broader population of Washington patients. Individual drug reviews unnecessarily create inequities between patient populations.

While UPLs are intended to lower costs for patients, the reality is that they will create a new incentive structure for payers that could compromise patient access to the selected medications due to increased utilization management or reshuffling of formularies.
Additionally, many drugs subject to cost review are administered directly by physicians under a "buy and bill" model. Physician reimbursement rates are already being squeezed, and UPLs could lower opportunities for treatment costs to be recouped. As a result, it is likely that physicians would adjust treatment recommendations to avoid facing financial deficits, leaving patients with fewer treatment options.

Finally, creating a unique pricing structure in Washington will create state-specific conditions for coverage. We don't know yet how either insurers or manufacturers will react to state-by-state exceptions, but this has the potential to cause either of these stakeholders to limit availability in the state and could cause confusion for patients and providers in the state.

Upper Payment Limits Don't Necessarily Translate to Patient Savings

While well-intentioned, UPLs fail to address many of the underlying causes and complicated factors that result in higher prescription drug costs for patients.

Assuming that UPLs will directly translate to lowered costs for patients ignores the complicated nature of our healthcare system. In our system, patients are not responsible for paying the full cost of their prescription medications nor are they allowed to freely select from the full range of treatments medically approved for their condition. Instead, these decisions are determined by their insurance company and pharmacy benefit manager (PBM). It is also these stakeholders that determine if cost-savings realized by the payer are subsequently shared with patients. Unfortunately, in most cases, they are not.

Payers in our health marketplace do not necessarily derive the most value from the lowest-cost drugs. According to reporting on PBMs by the New York Times, "Even when an inexpensive generic version of a drug is available, PBMs sometimes have a financial reason to push patients to take a brand-name product that will cost them much more. For example, Express Scripts typically urges employers to cover brand-name versions of several hepatitis C drugs and not the cheaper generic versions. The higher the original sticker price, the larger the discounts the PBMs can finagle, the fatter their profits — even if the ultimate discounted price of the brand-name drug remains higher than the cost of the generic."

Ultimately, this could mean insurers and PBMs place drugs subject to UPLs on higher tiers of the formulary. This could lead to higher out-of-pocket costs for patients who could face higher copay or coinsurance rates to retain access to that drug or alternatively be forced to switch to a more expensive drug that results in higher profits to their PBM.

These plan-prompted changes are collectively known as non-medical switching and were also noted in the excerpt from CMS above. Non-medical switches in medication can also cause unnecessary complications for patients. At a minimum, a switch in medication will require more doctor visits to monitor the efficacy of a new medication. Further, if the switch results in side effects or worsened outcomes, patients could face medical interventions or hospitalization and the additional costs borne out by both.

Sound Health Policy is Founded on Patient Perspectives

We urge this board to keep as a primary focus the needs of patients and work diligently to ensure that access to all treatments is protected. We strongly urge the board and staff to utilize the authority of the board to fully explore with all healthcare stakeholders how UPLs will be implemented and identify in advance any adverse impact to patients.

Additionally, we invite the board to utilize this organization and its members as a direct conduit to understanding and incorporating patient and caregiver perspectives, as well as those of patient organizations who have an understanding of the life cycle of disease from the lens of prevention, diagnosis, and disease management.

We appreciate your laudable efforts to improve our health system and your steadfast commitment to protecting patients. We look forward to working together to achieve these goals.

Sincerely,

Tiffany Westrich-Robertson
Ensuring Access through Collaborative Health (EACH) Coalition