



# Washington Insulin Work Group (WAIG) Meeting #4

December 6<sup>th</sup>, 2022

Washington State Health Care Authority

1

## Agenda

No.	Agenda Items	Time	Lead
1.	Welcome and Opening Business	10	Mary Fliss – Deputy, Clinical Strategy and Operations, HCA
2.	Utah Presentation – Q&A Session	20	Travis Trolley – Clinical Management and Provider Contracting Director - Utah
3.	Short-Term Emergency Supply Strategies - Comparison Grid <ul style="list-style-type: none"> <li>Review other states</li> <li>Review WA State draft</li> <li>PollEverywhere questions</li> </ul>	50	Hayley De Carolis - Center for Evidence-based Policy
4.	<i>Break</i>	10	
5.	Cost Analysis Update	20	Ryan Pistorresi – Assistant Chief Pharmacy Officer, HCA Dan Vizzini – Center for Evidence-based Policy
6.	Long-Term Cost Strategies and Policy Options <ul style="list-style-type: none"> <li>Review other states</li> <li>Review WA State draft</li> <li>PollEverywhere questions</li> </ul>	60	Hayley De Carolis - Center for Evidence-based Policy
7.	Next Steps <ul style="list-style-type: none"> <li>Report Drafting</li> <li>Final Meeting Date: March 16, 2023</li> </ul>	10	Mary Fliss – Deputy, Clinical Strategy and Operations, HCA

# 1. Welcome and Opening Business

3

# 2. Utah Discussion

4

# 3. State Comparison of Policy Options for Short-Term Emergency Supply

5

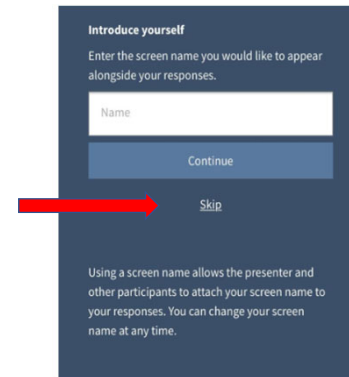
## Potential Washington Emergency Supply Policy Recommendations

Element	Potential Washington Policy (based on workgroup feedback)
Summary of Policy	A policy to make a once-yearly 30-day emergency supply of insulin available.
Emergency Prescription Authority (specific to insulin)	Upon receipt of completed and signed application, pharmacist may dispense emergency refills of insulin and associated insulin-related devices and supplies.
Amount Supplied	Significant feedback from workgroup: Emergency supply should be 90 days rather than 30.  A patient should be allowed to access an emergency supply more than once in 12-month period.
Funding Source	Reimbursement by manufacturers as long as that covers pharmacy costs including insulin, Business and Occupation tax (gross receipts tax).  Consideration of state FTE to administer program and to help ensure patients, pharmacies, providers, and manufacturers are aware and able to resolve any issues.
Copayment Instructions	Pharmacy should be made whole including dispensing fee through a copayment of \$15.
Eligibility Criteria	The recommendation is to require state residency (in the form of providing Washington address on application form) Do not require state ID - this would limit access of people who are undocumented, homeless, or visiting Washington.
Application Process	Pharmacies should not be required to maintain copies of patient applications as this is just an additional administrative burden.  Registration system should be standard and easy to use.
Reimbursement Process	Pharmacies need to be supported by the manufacturer through replacement stock or reimbursement from the manufacturer.  Majority of workgroup members supported requiring manufacturers to reimburse supply but some people thought pharmacies should be able to choose preferred reimbursement process.  If manufacturers are reimbursing, policy should make sure reimbursement is timely (e.g., 10 days).
Educational Materials Provided	Educational material should be provided to all patients accessing emergency supply and should include information on wraparound services and other health insurance options or state programs.
Prescriber Reporting Requirements	We will not mandate prescriber reporting requirements due to burden to pharmacies and unclear value.

6

## Poll Everywhere Participation

- ▶ Navigate to the link [PollEv.com/cebpohtsu300](https://PollEv.com/cebpohtsu300) and wait for the question prompts on your screen
- ▶ You should be able to click on link in the chat feature
- ▶ If you wish to be anonymous, select the skip option if/when prompted to enter your name
- ▶ Your device will automatically advance you to the active poll
- ▶ Results will appear on the screen after you answer; you can change your response if you wish

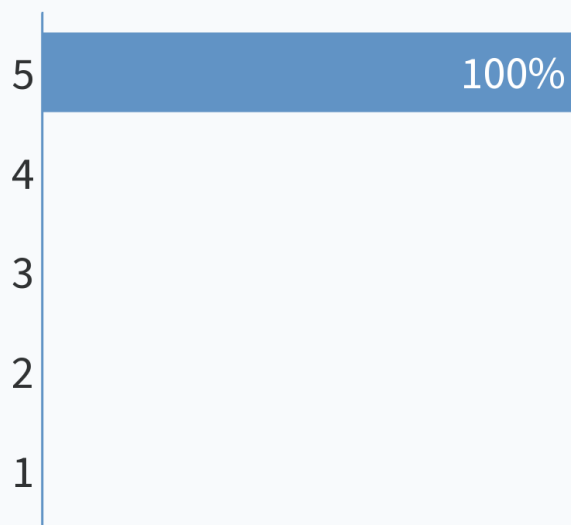


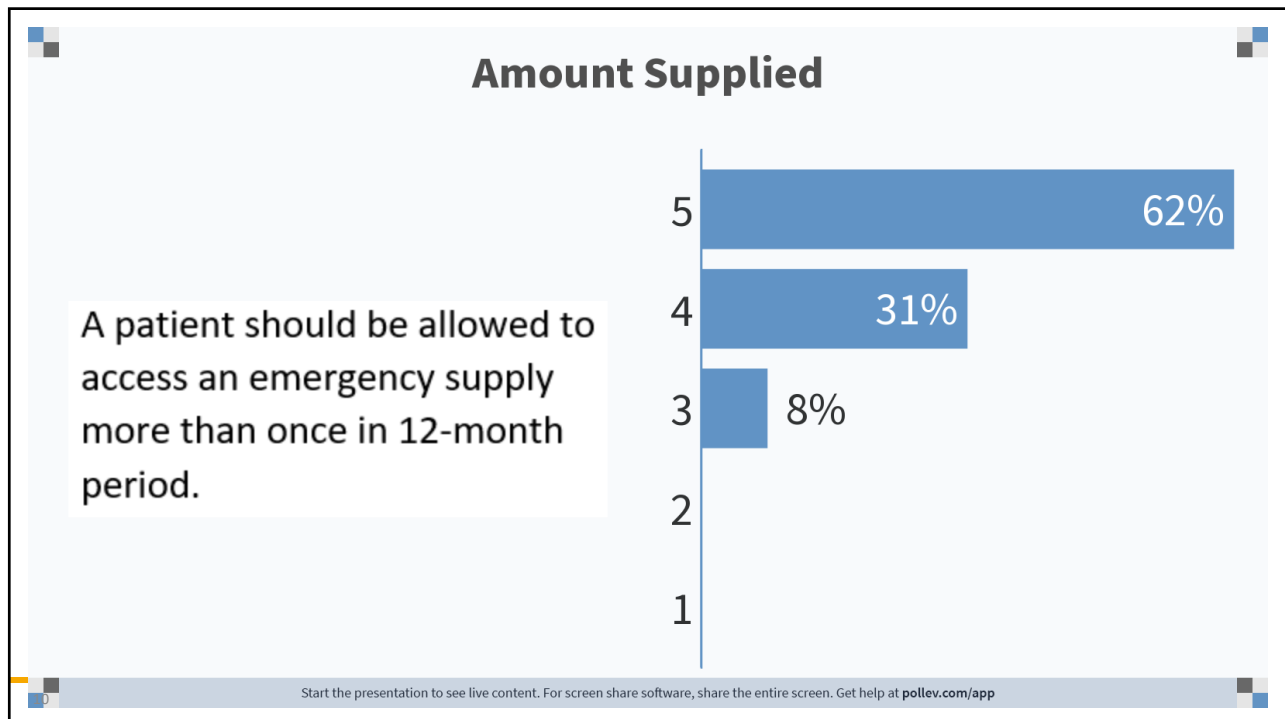
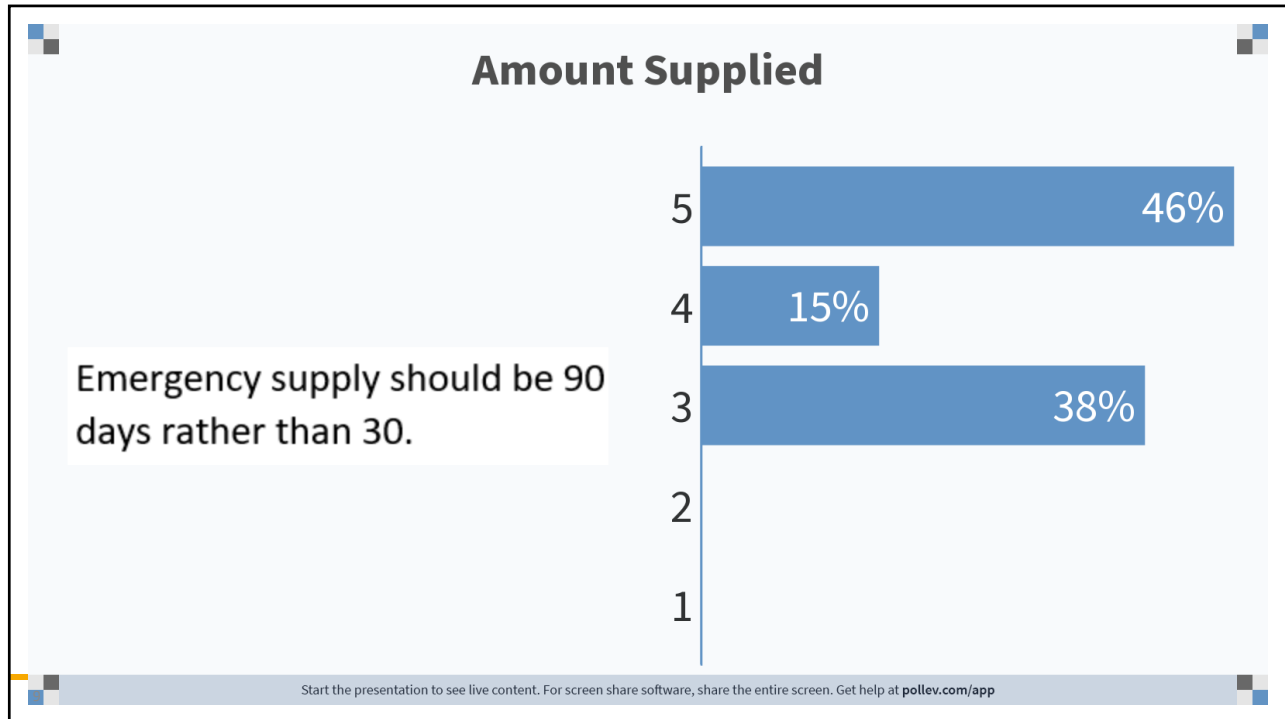
7

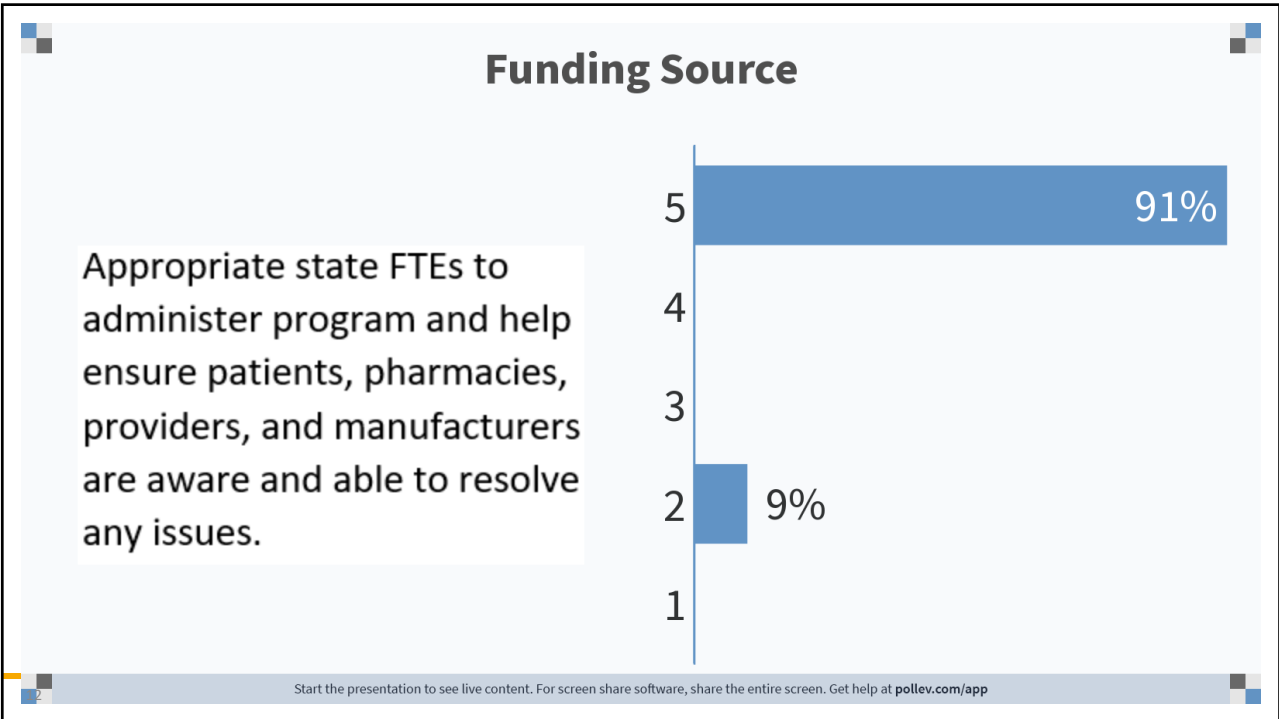
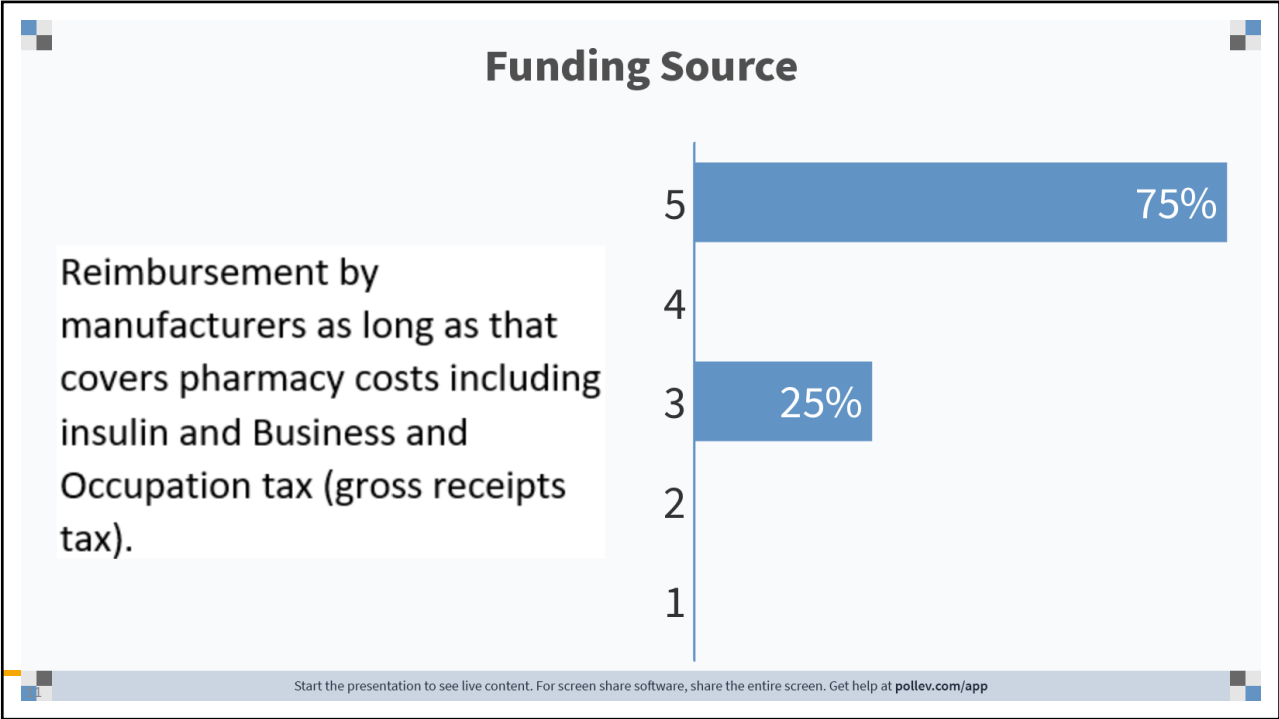
## Emergency Prescription Authority

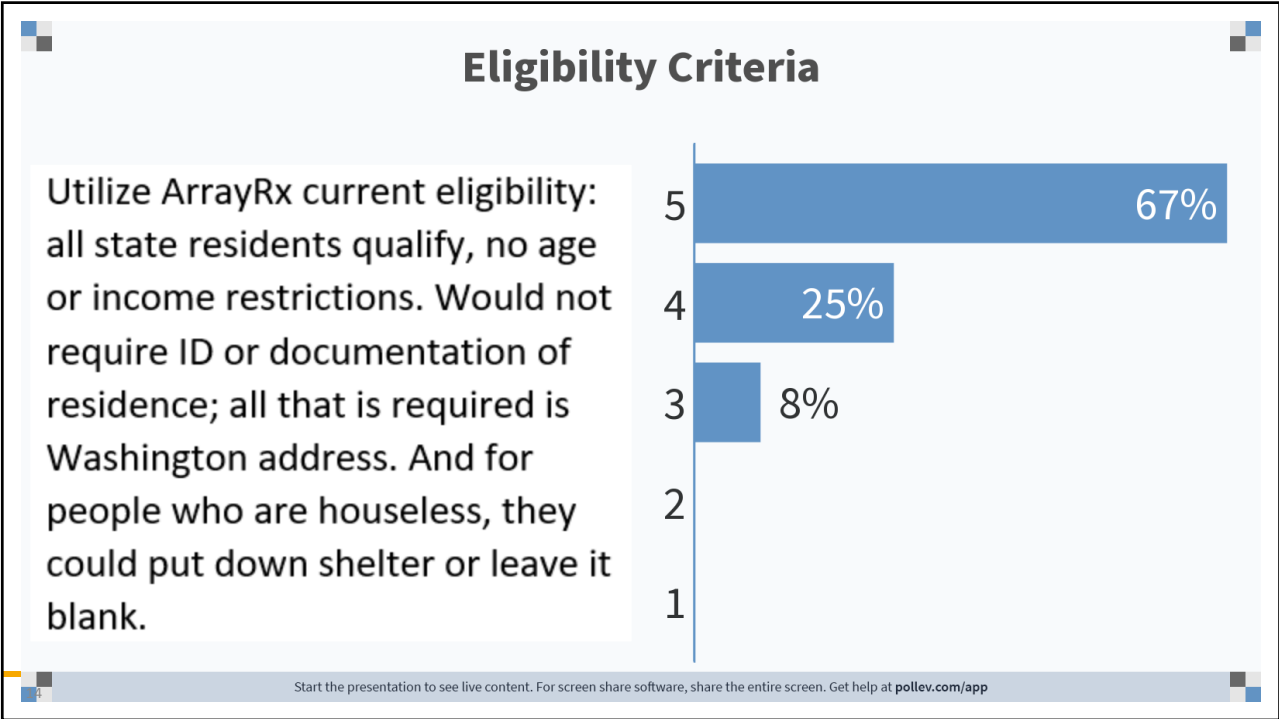
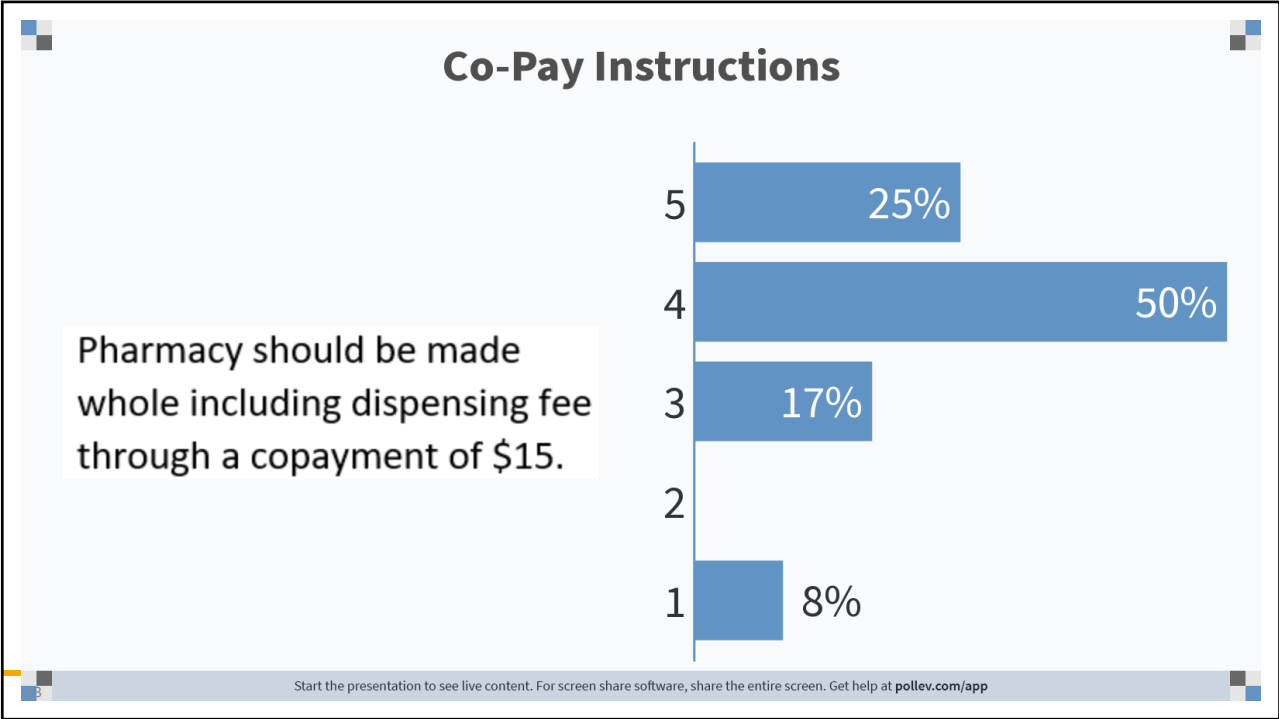
Upon receipt of completed and signed application, pharmacist may dispense emergency refills of insulin and associated insulin-related devices and supplies.

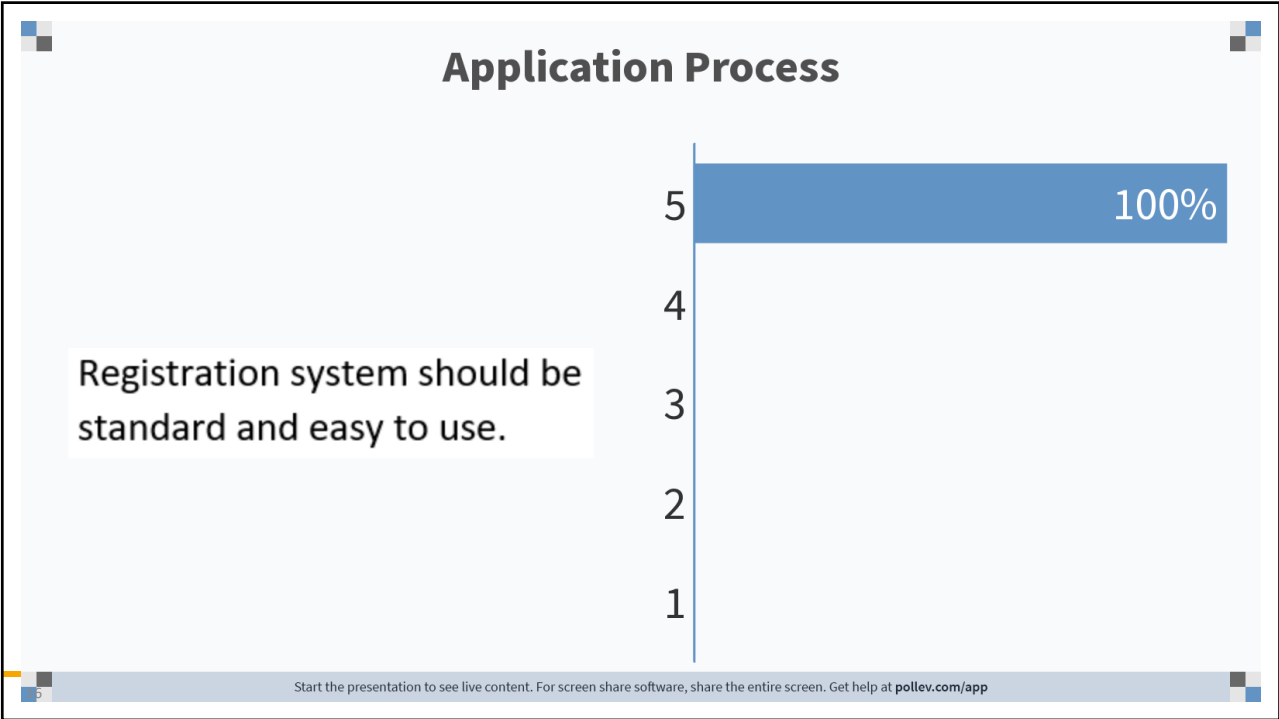
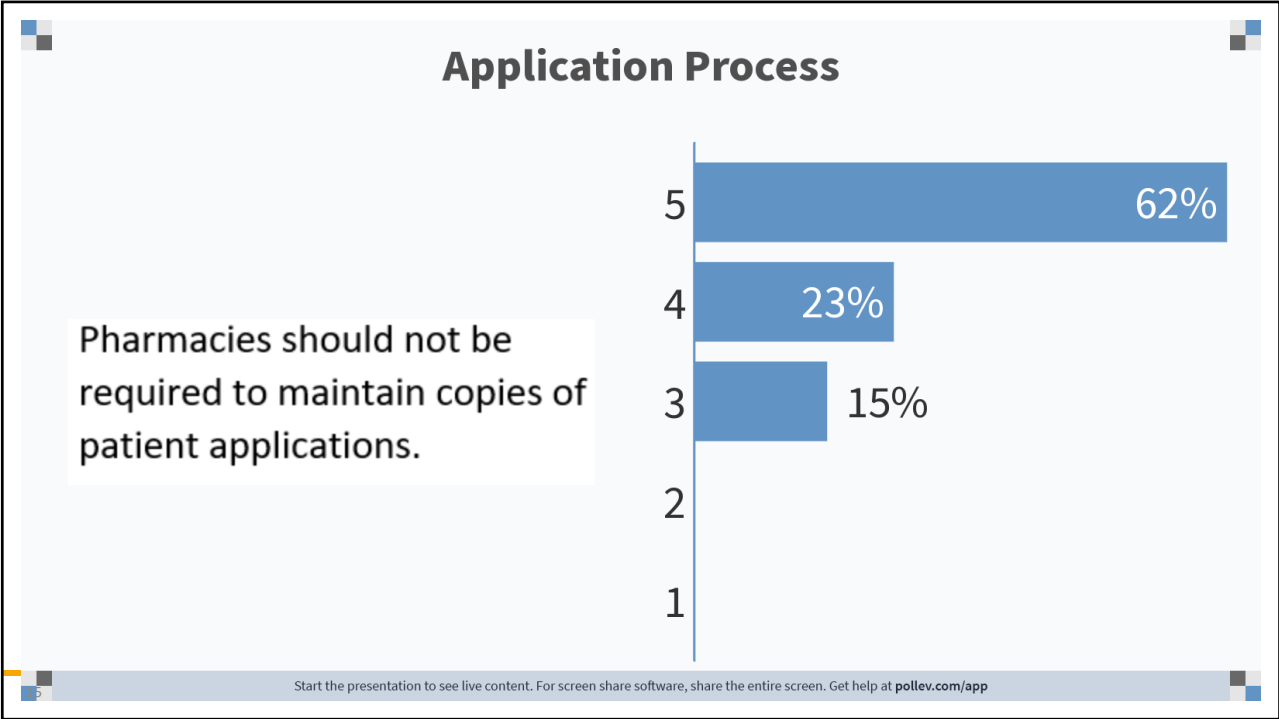
SCALE: 1-5 (with 5 being strongly support)



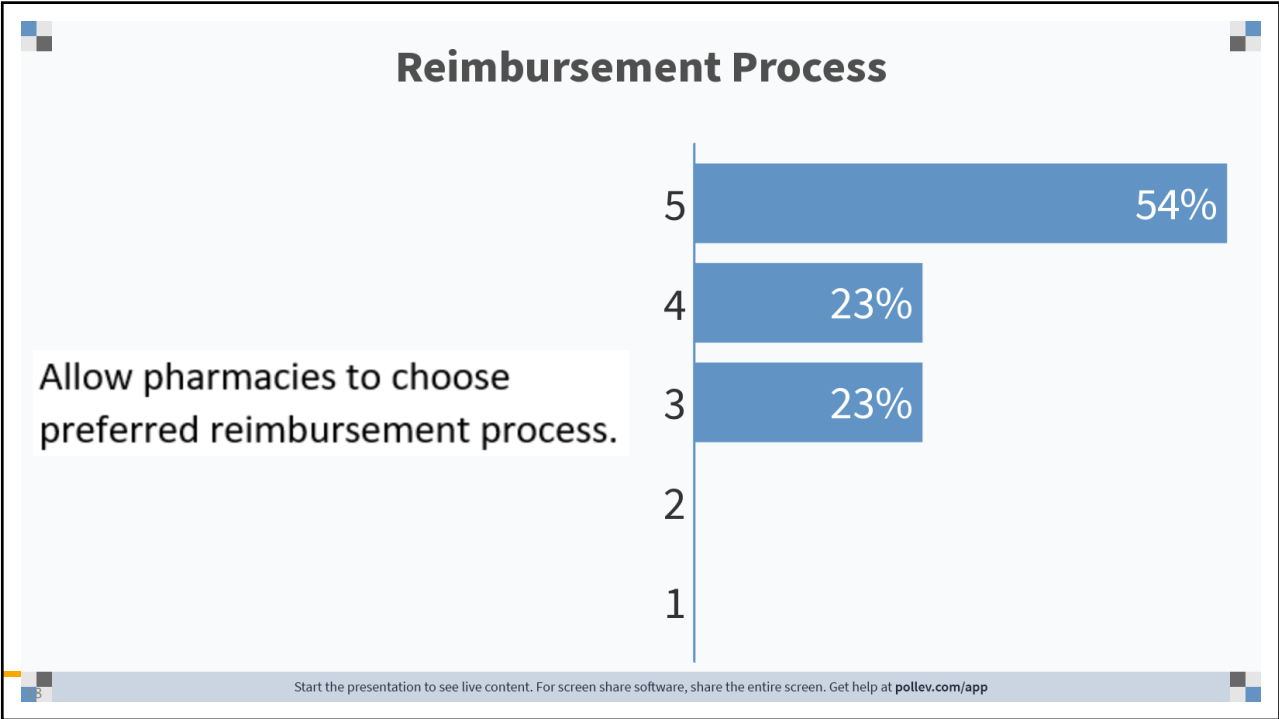
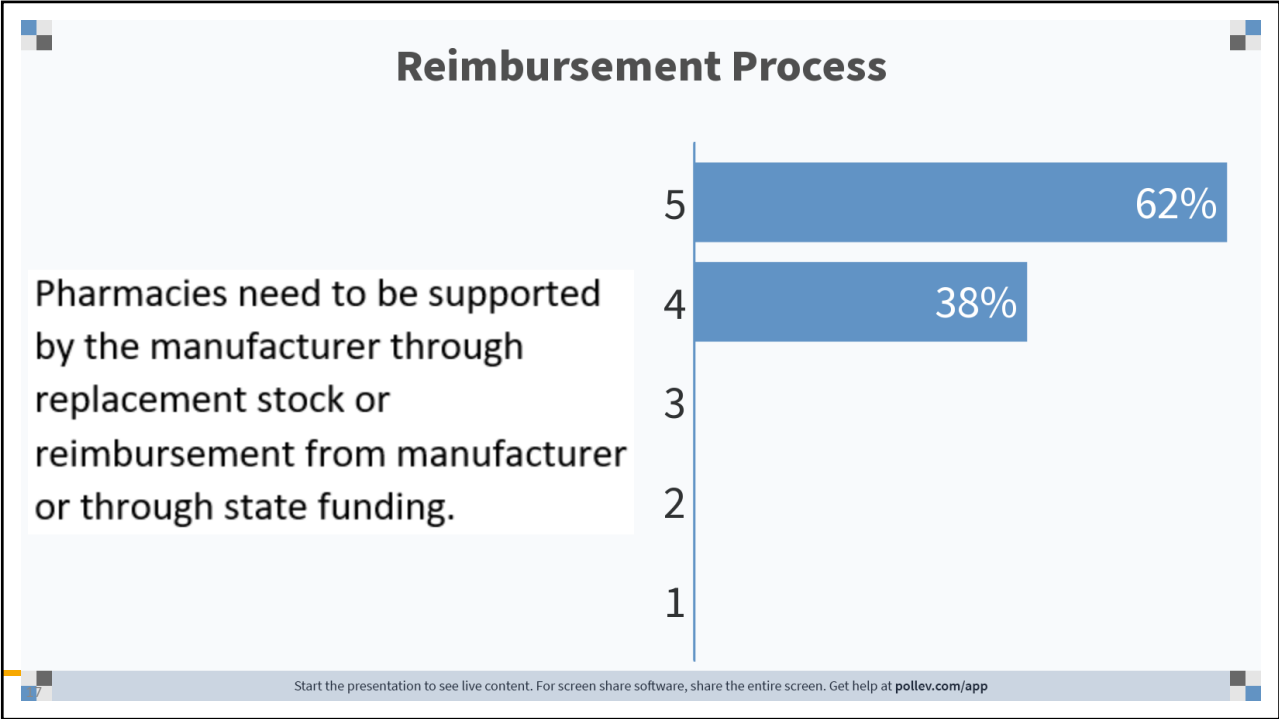


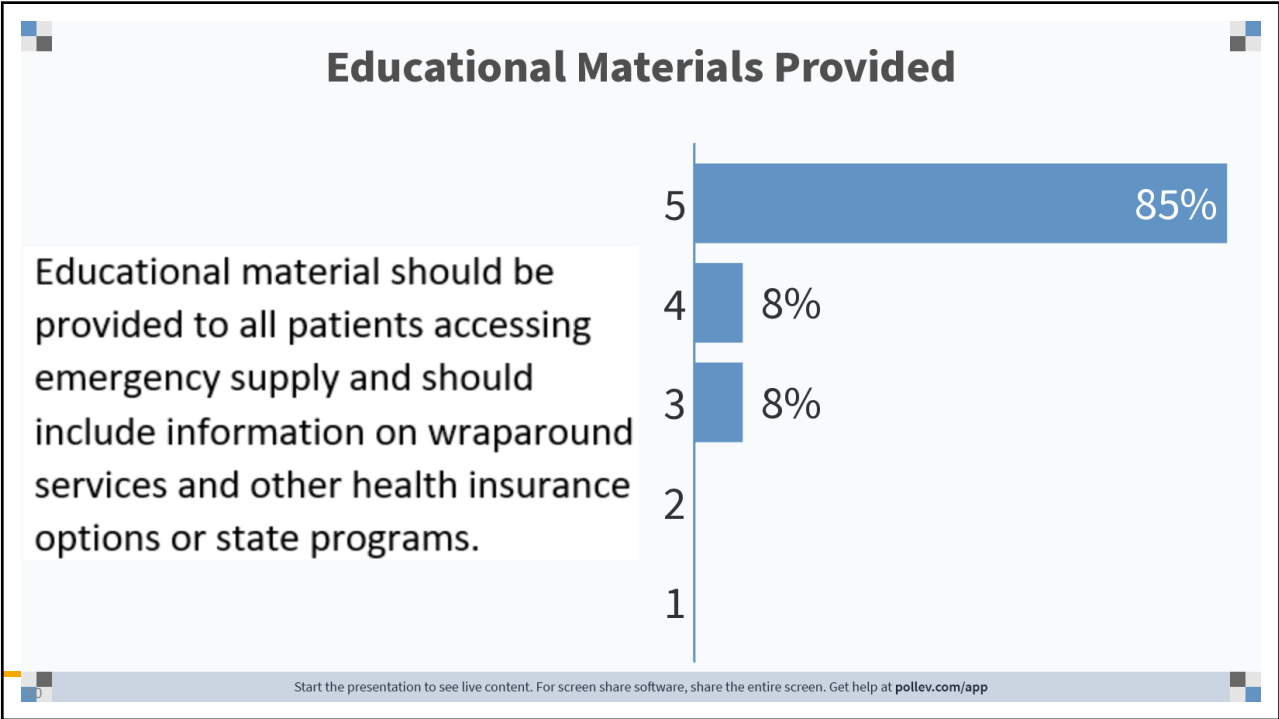
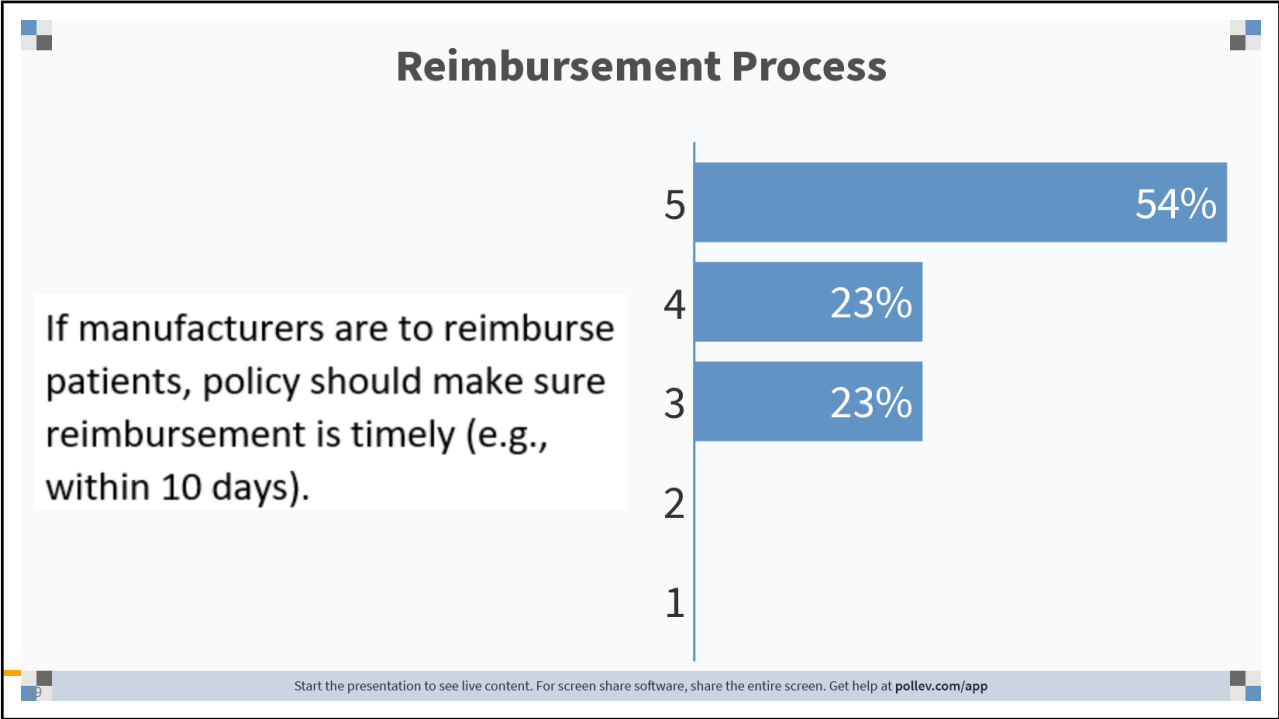


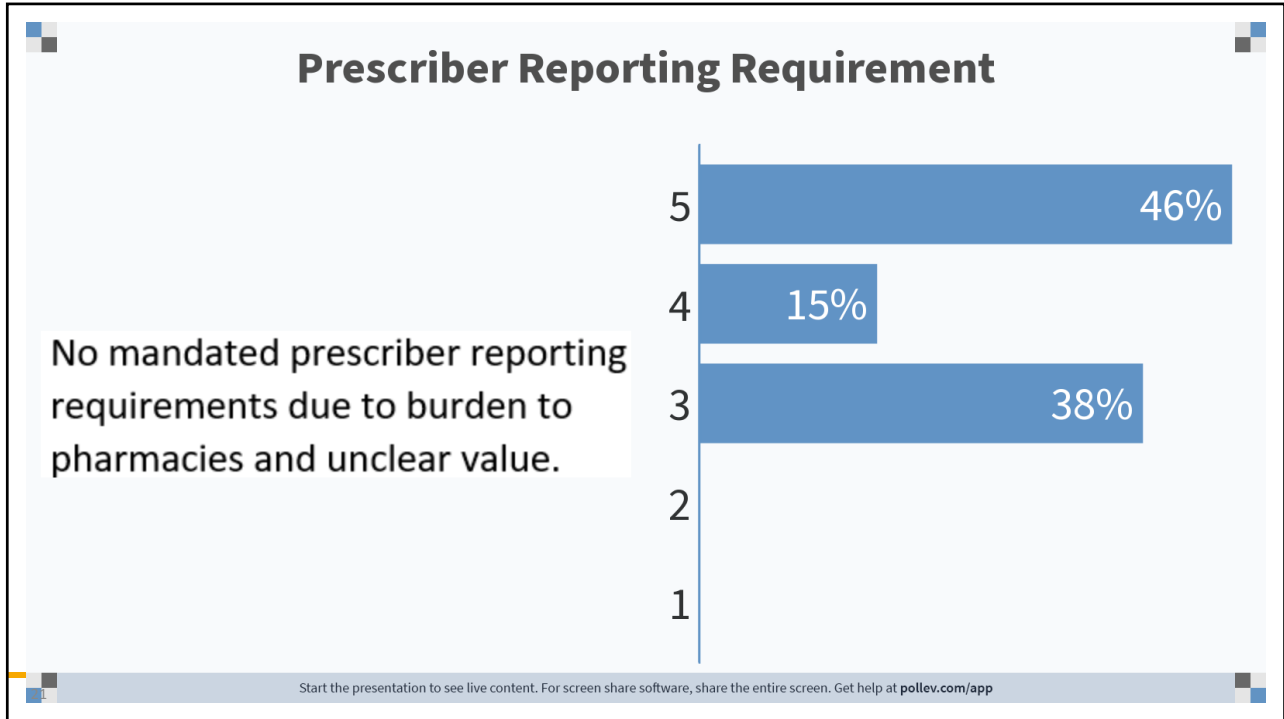












## 4. Break (10 minutes)

# 5. Cost Analysis Update

23

# Insulin Utilization and Costs

## Background

---

- ▶ During its regular 2021 session, the 67th Washington State Legislature passed Senate Bill 5203 directing HCA to establish partnerships to produce, distribute or purchase generic prescription drugs and insulin (ESSB 5203.SL).
- ▶ This work entailed reviewing Washington's All Payer Claims Database to produce useable data for utilization and total cost per year for insulin.
- ▶ On July 8, 2022, the Total Cost of Insulin Workgroup met for the first time. During that meeting, the Center for Evidence-based Policy presented a summary of findings from its investigation of paid insulin claims from the All Payer Claims Database.
- ▶ The following slides highlight some key data findings from that research, including updates based on feedback from the Total Cost of Insulin Workgroup (SHB 1728.PL)

25

## Takeaways from the July 8 Workgroup Presentation

---

- ▶ Data analysis did not capture the full cost of diabetes treatment. Focus was limited to insulin claims, excluding other diabetes medications and the costs of associated equipment and supplies.
- ▶ Aggregated claims data was not sufficiently detailed to allow for a thorough analysis of insulin utilization and costs by product, payer or type of insurance plans.
- ▶ Additional research would be needed to support a detailed analysis of claims, discounts and payments to provide an apples-to-apples comparison of total payments and patient payments per unit of dispensed insulin.
- ▶ The Workgroup would like to review data from the 2019 Diabetes Epidemic Action Report for additional insights into insulin utilization and costs.

26

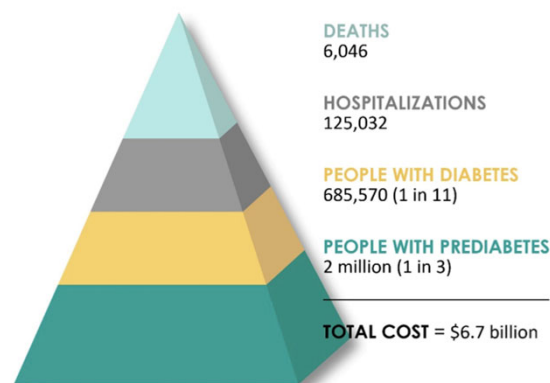
## Diabetes Epidemic Action Report (D.E.A.R. 2019) Data Supplement – Prevalence of Diabetes in Washington

- About 682,600 adults (or 1 in 8) had diabetes in 2017.
- After nearly doubling from 1990 to 2010, the growth in diagnosed diabetes among adults began to slow as of 2011.
- About 2,970 youth under 18 years of age (1 in 550) had diabetes in 2017.
- Onset of type 1 and type 2 diabetes in youth is increasingly common in recent decades.
- About 142,000 out of 2 million Medicaid enrollees had diabetes in 2017. The percent with diabetes has remained stable at around 7% from 2012 to 2017 and greatly varies across Medicaid coverage groups
- In 2017, 30,510 out of about 400,000 state public employees (or 7.6%) had diabetes.
- Members enrolled in Medicare due to disability were 3.3 times more likely to have diabetes than non-Medicare members.
- In addition to those who already have diabetes, an estimated 2 million adults statewide (or 1 in 3) had prediabetes in 2017. Three of four adults with prediabetes were not aware of their condition.

27

Washington State  
Health Care Authority

## Burden and Financial Impact of Diabetes in 2017 D.E.A.R. 2019 Data Supplement

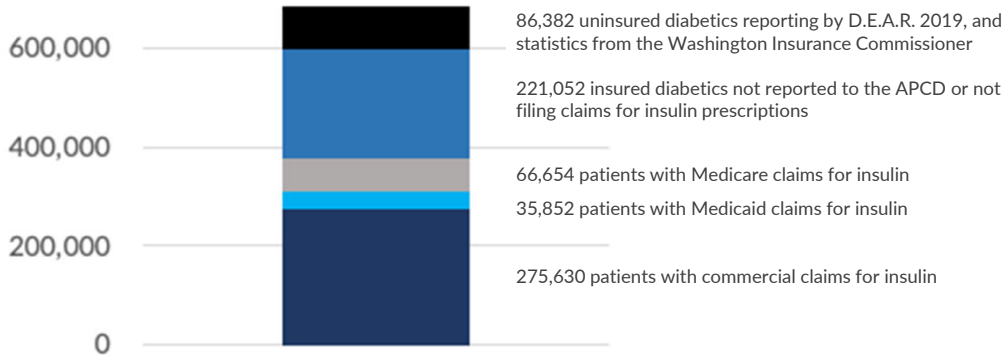


28

Washington State  
Health Care Authority

## The Size and Shape of the Challenge

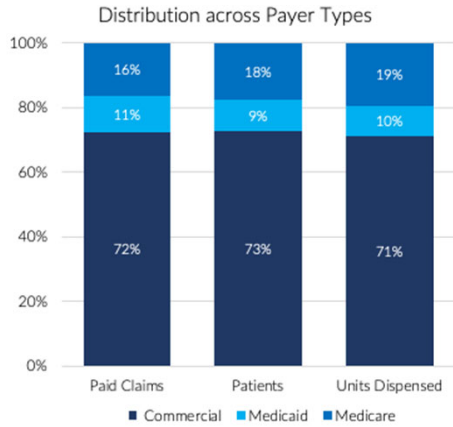
### 685,570 Washingtonians with Diabetes



29

## High-Level Findings from the All Payer Claims Database

## Commercial Insurance dominates statewide insulin claims APCD Paid Claims in 2020

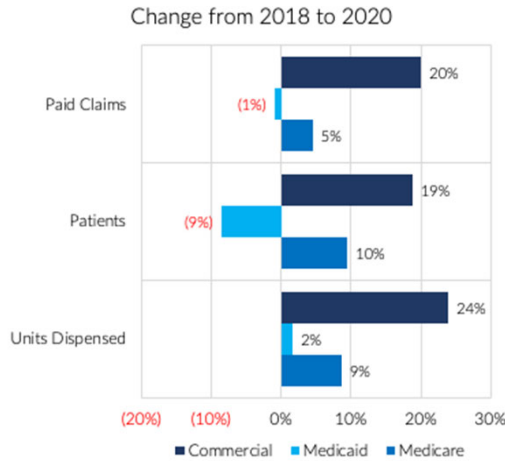


Paid Insulin Claims in 2020 by Payer Type

Payer Type	Paid Claims	Patients	Units Dispensed
Commercial	1,171,021	275,630	23,702,909
Medicaid	180,140	35,852	3,208,044
Medicare	264,796	66,654	6,482,946
<b>Total Insulin Claims</b>	<b>1,615,977</b>	<b>378,146</b>	<b>33,394,192</b>

31

## Growth in commercial claims activity outpaced Medicaid and Medicare between 2018 and 2020 APCD Paid Claims

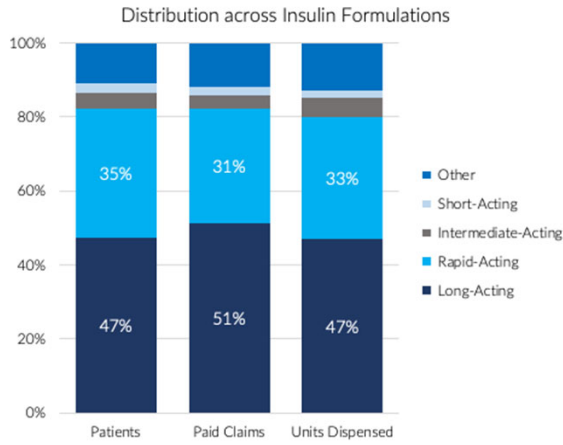


32



## Long- and Rapid-acting Insulin accounted for more than 80% of insulin use in 2020

### APCD Commercial Claims in 2018 and 2020



Commercial Insulin Claims in 2020 by Product Formulation

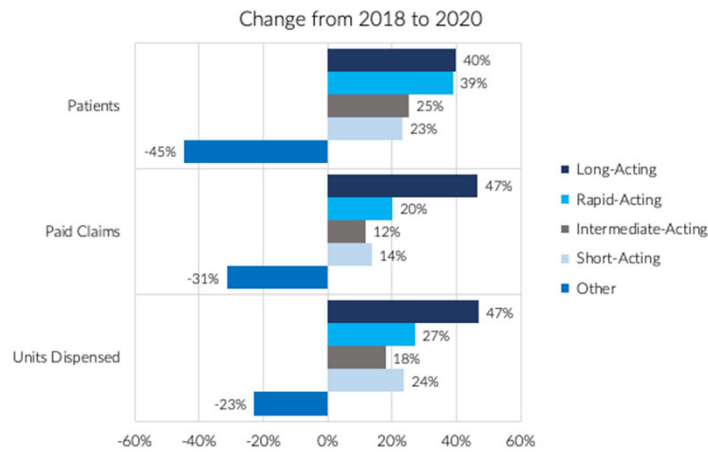
Formulation	Patients	Paid Claims	Units Dispensed
Long-Acting	130,284	600,307	11,144,868
Rapid-Acting	96,600	361,921	7,777,484
Intermediate-Acting	11,669	43,592	1,233,171
Short-Acting	7,215	25,490	466,049
Other	29,862	139,711	3,081,338
<b>Total Insulin Claims</b>	<b>275,630</b>	<b>1,171,021</b>	<b>23,702,909</b>



33

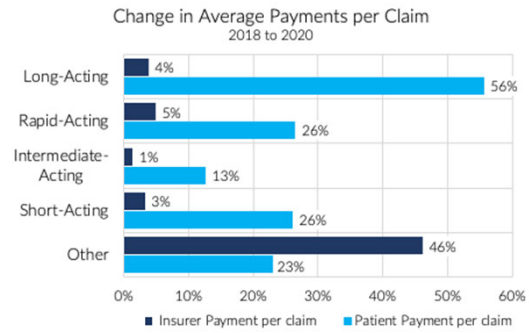
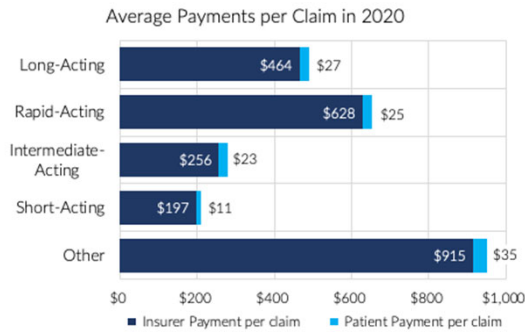
## Long-acting Insulin outpaced utilization of other insulins from 2018 to 2020

### APCD Commercial Claims



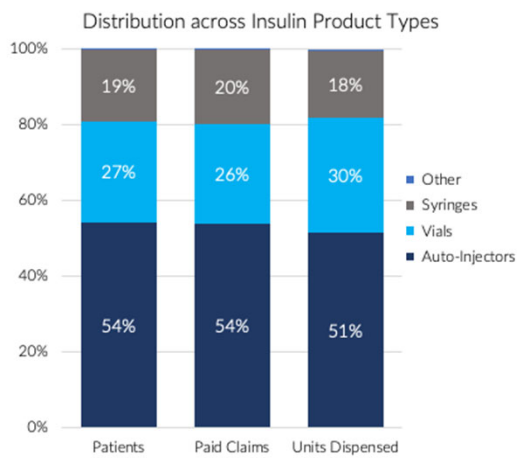
34

## Double-digit increases posted for average patient payments APCD Paid Commercial Claims in 2018 and 2020



35

## Auto-Injectors and Vials account for most insulin use APCD Paid Claims in 2020

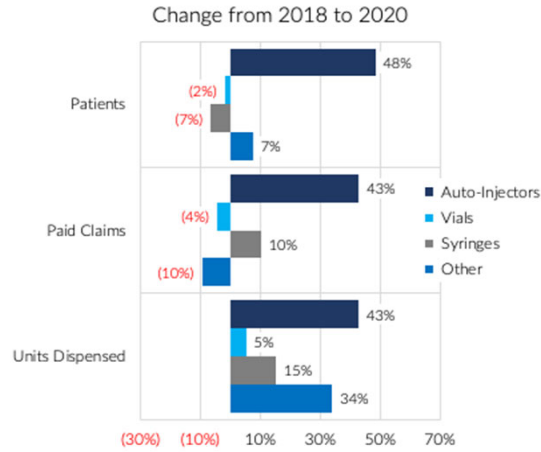


Commercial Insulin Claims in 2020 by Product Type

Product Type	Patients	Paid Claims	Units Dispensed
Auto-Injector	149,538	630,566	12,165,933
Vial	73,550	308,524	7,216,991
Syringe	51,862	229,088	4,205,241
Other	680	2,843	114,744
<b>Total Insulin Claims</b>	<b>275,630</b>	<b>1,171,021</b>	<b>23,702,909</b>

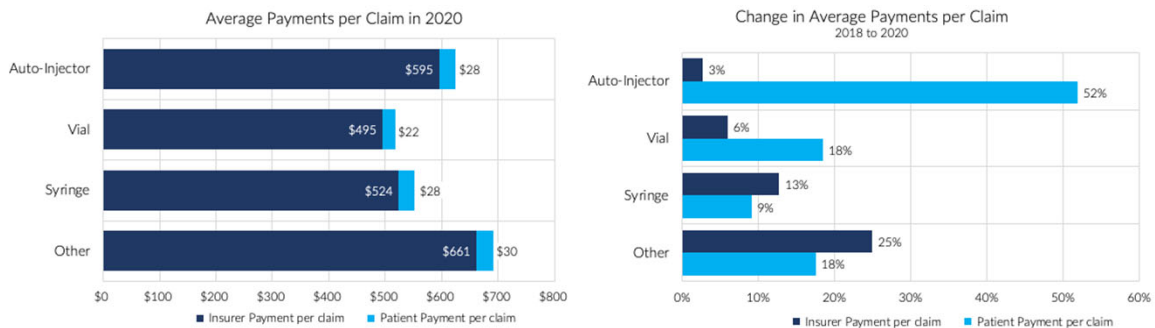
36

## Auto-Injectors outpaced other insulins from 2018 to 2020 APCD Commercial Claims



37

## Patients saw significant increases in Auto-Injector payments APCD Paid Claims in 2020



38

## Financial Impact of High Deductible Plans

### Simulated payments per claim based on average paid claims

	Payments per Claim in 2020		
	Rapid-Acting	Long-Acting	Total
Total Payment	\$569	\$551	\$1,120
Insurer Payment	\$196	\$349	\$545
Patient Payment	\$372	\$202	\$575
Co-Payment	\$59	\$28	\$87
Co-Insurance	\$18	\$74	\$91
Deductible	\$296	\$100	\$396

Note: An uninsured patient pays the full \$1,120 per claim for the two insulin products.

39

## Financial Impact of High Deductible Plans

### Average change per claim from 2018 to 2020

	Average Change per Claim from 2018 to 2020		
	Rapid-Acting	Long-Acting	Total
Total Payment	\$79	(\$6)	\$73
Insurer Payment	(\$238)	(\$83)	(\$322)
Patient Payment	\$318	\$78	\$395
Co-Payment	\$13	(\$20)	(\$7)
Co-Insurance	\$9	\$39	\$48
Deductible	\$296	\$58	\$354

Note: An uninsured patient pays the full \$1,120 per claim for the two insulin products.

40

## Financial Impact of High Deductible Plans

Percentage change per claim from 2018 to 2020

	Change from 2018 to 2020		
	Rapid-Acting	Long-Acting	Total
Total Payment	16%	(1%)	7%
Insurer Payment	(55%)	(19%)	(37%)
Patient Payment	<b>579%</b>	62%	<b>220%</b>
Co-Payment	28%	(41%)	(7%)
Co-Insurance	99%	115%	112%
Deductible	<b>New Charge</b>	135%	<b>828%</b>

41



## 86,000 diabetic adults face overwhelming treatment costs based on commercial claims in 2020

Insulin Product	Claims per Patient per Year	Total Payment per claim	Total Payment per Year
Long-Acting	4.6	\$491	\$2,263
Rapid-Acting	3.7	\$653	\$2,445
Concentrate	4.9	\$1,133	\$5,525
Mix	4.5	\$749	\$3,405
Intermediate-Acting	3.7	\$279	\$1,040
Short-Acting	3.5	\$209	\$737
Auto-Injector	4.2	\$623	\$2,629
Vial	4.2	\$517	\$2,170
Syringe	4.4	\$552	\$2,438
Cartridge	4.3	\$584	\$2,512
Powder	3.4	\$1,588	\$5,382

42



# 6. Long-Term Cost Strategies and Policy Options

43



## Potential Washington Long Term Policy Recommendations (1 of 2)

Element	Potential Washington Policy (based on workgroup feedback)
Summary of Policy	Provide discounted insulin to Washingtonians through: <ol style="list-style-type: none"> <li>1. ArrayRx discount card</li> <li>2. ArrayRx voucher program</li> <li>3. Manufacturer patient assistance programs</li> </ol>
Eligibility Criteria	ArrayRx current eligibility: all state residents qualify, no age or income restrictions. Would not require ID or documentation of residence; all that is required is Washington address. And for people who are houseless, they could put down shelter or leave it blank.  Additional requirement for manufacturer patient assistance program: <ul style="list-style-type: none"> <li>• Family income less than 400% FPL</li> </ul>
Application Process	All individuals would sign up online and receive either a digital card delivered to their phone or paper card mailed to them.
Manufacturer Responsibilities	For discounted insulin: Washington Legislature could require manufacturers to offer insulin at discounted price – such as requiring insulin be evaluated annually by Prescription Drug Affordability Board. For voucher program: manufacturers would bid on ArrayRx's RFP and their brand would be used for voucher program. For manufacturer assistance program: manufacturer would be responsible for eligibility determination, providing insulin to pharmacies or patients via direct mail service, and reimbursing pharmacies for dispensed insulin.
Patient Responsibilities	Patients would be responsible for enrolling in program online and presenting ArrayRx card at pharmacy. Patients would also be able to check online for participating pharmacies (1,200 in WA). For manufacturer assistance program, patients would need to apply and present proof of eligibility (provided by manufacturer) to pharmacy
Pharmacy Responsibilities	Individuals would show ArrayRx card or proof of eligibility at point of sale at pharmacy to receive discounted price or insulin supply.

44

## Potential Washington Long Term Policy Recommendations (2 of 2)

Element	Potential Washington Policy (based on workgroup feedback)
Reimbursement Process	Voucher program: covered medications are paid to pharmacy by state agency sponsoring program plus the patient cost share for prescription HCA would have to backfill the cash flow gap to the pharmacy with state funds until rebate is received by HCA from the drug manufacturer. For patient assistance program, manufacturers would be responsible for reimbursing pharmacies directly.
Educational Assistance	Workgroup suggestion: Make available educational program for pharmacists and patients to help identify individuals that need help overcoming barriers.
State Entity Responsibilities	Workgroup members prioritized access to state-negotiated insulin prices through ArrayRx Solutions as a top policy strategy for a long-term affordable insulin program. ArrayRx Solutions has interagency participation from Washington, Oregon, and Nevada state agencies. At the request of HCA, ArrayRx would go out for bid, get preferred price of insulin and work with state's existing drug discount card or voucher program to pass through discounted insulin to consumers. Individuals on government-purchased health plans would continue with their existing benefit process. HCA would have to backfill the cash flow gap to the pharmacy with state funds until rebate is received by HCA from the drug manufacturer.
Reporting requirements	Workgroup requests: Transparent financial disclosures from manufacturers, PBMs, and plans regarding what the plan paid, member paid, rebates, and acquisition costs through quarterly disclosure. Ability to integrate data and publish total diabetes impact and improved outcomes. Workgroup members supported exploring data transparency efforts related to the price of prescription - this would require exception to current Washington Drug Price Transparency (DPT) program rules.
Program Expiration	N/A
Other notes	ArrayRx could also be used for an emergency supply of insulin if Washington Legislature enacted same law directing all insulin manufacturers to provide a free or minimal copay for an emergency supply. We could consider providing patient navigators as part of a long-term assistance program like Minnesota has done.

45

## Poll Everywhere Participation

- ▶ Navigate to the link [PollEv.com/cebpohtsu300](https://PollEv.com/cebpohtsu300) and wait for the question prompts on your screen
- ▶ You should be able to click on link in the chat feature
- ▶ If you wish to be anonymous, select the skip option if/when prompted to enter your name
- ▶ Your device will automatically advance you to the active poll
- ▶ Results will appear on the screen after you answer; you can change your response if you wish

46

### Eligibility Criteria

For ArrayRx discount card and voucher program, utilize ArrayRx current eligibility: all state residents qualify, no age or income restrictions. Would not require ID or documentation of residence; all that is required is Washington address. And for people who are houseless, they could put down shelter or leave it blank.

SCALE: 1-5 (with 5 being strongly support)

5  
4  
3  
2  
1

Start the presentation to see live content. For screen share software, share the entire screen. Get help at [pollev.com/app](https://pollev.com/app)

### Eligibility Criteria

Require additional requirement for manufacturer patient assistance program that family income be less than 400% FPL.

5  
4  
3  
2  
1

Start the presentation to see live content. For screen share software, share the entire screen. Get help at [pollev.com/app](https://pollev.com/app)



## Application Process

5  
4  
3  
2  
1

All individuals would sign up online and receive either a digital card delivered to their phone or paper card mailed to them.

Start the presentation to see live content. For screen share software, share the entire screen. Get help at [pollev.com/app](https://pollev.com/app)

## Manufacturer Responsibilities

5  
4  
3  
2  
1

For discounted insulin: Washington Legislature would require manufacturers to offer insulin at discounted price – such as requiring insulin be evaluated annually by Prescription Drug Affordability Board.

Start the presentation to see live content. For screen share software, share the entire screen. Get help at [pollev.com/app](https://pollev.com/app)

## Manufacturer Responsibilities

For voucher program:  
manufacturers would bid on  
ArrayRx's RFP and their brand  
would be used for voucher  
program.

5  
4  
3  
2  
1

Start the presentation to see live content. For screen share software, share the entire screen. Get help at [pollev.com/app](https://pollev.com/app)

## Manufacturer Responsibilities

For manufacturer assistance program:  
manufacturer would be responsible  
for eligibility determination, providing  
insulin to pharmacies or patients via  
direct mail service, and reimbursing  
pharmacies for dispensed insulin.

5  
4  
3  
2  
1

Start the presentation to see live content. For screen share software, share the entire screen. Get help at [pollev.com/app](https://pollev.com/app)

## Patient Responsibilities

Patients would be responsible for enrolling in program online and presenting ArrayRx card or manufacturer's proof of eligibility at pharmacy. For ArrayRx programs, patients would also be able to check online for participating pharmacies (1,200 in WA).

5  
4  
3  
2  
1

Start the presentation to see live content. For screen share software, share the entire screen. Get help at [pollev.com/app](https://pollev.com/app)


## Pharmacy Responsibilities

Individuals would show ArrayRx discount card or proof of eligibility for manufacturer assistance program at point of sale at pharmacy to receive discounted price.

5  
4  
3  
2  
1

Start the presentation to see live content. For screen share software, share the entire screen. Get help at [pollev.com/app](https://pollev.com/app)


## Reimbursement Process



Voucher program: covered | medications are paid to pharmacy by state agency sponsoring program plus the patient cost share for prescription

Start the presentation to see live content. For screen share software, share the entire screen. Get help at [pollev.com/app](https://pollev.com/app)

## Reimbursement Process



HCA would backfill the cash flow gap with state funds until rebate is received from the drug manufacturer.

Start the presentation to see live content. For screen share software, share the entire screen. Get help at [pollev.com/app](https://pollev.com/app)

## Reimbursement Process

For patient assistance program, manufacturers would be responsible for reimbursing pharmacies directly.

5  
4  
3  
2  
1

Start the presentation to see live content. For screen share software, share the entire screen. Get help at [pollev.com/app](https://pollev.com/app)

This slide features a vertical scale on the right side, ranging from 1 at the bottom to 5 at the top. A text box on the left contains the text: "For patient assistance program, manufacturers would be responsible for reimbursing pharmacies directly." The slide is titled "Reimbursement Process" at the top center. At the bottom, there is a footer with a small yellow bar on the left and a small blue bar on the right, containing the text: "Start the presentation to see live content. For screen share software, share the entire screen. Get help at pollev.com/app".

## Educational Assistance

Make educational program available for pharmacists and patients to help identify individuals that need assistance overcoming barriers.

5  
4  
3  
2  
1

Start the presentation to see live content. For screen share software, share the entire screen. Get help at [pollev.com/app](https://pollev.com/app)

This slide features a vertical scale on the right side, ranging from 1 at the bottom to 5 at the top. A text box on the left contains the text: "Make educational program available for pharmacists and patients to help identify individuals that need assistance overcoming barriers." The slide is titled "Educational Assistance" at the top center. At the bottom, there is a footer with a small yellow bar on the left and a small blue bar on the right, containing the text: "Start the presentation to see live content. For screen share software, share the entire screen. Get help at pollev.com/app".

## State Entity Responsibilities

5  
4  
3  
2  
1

Prioritize access to state-negotiated insulin prices through ArrayRx solutions as a top policy strategy for a long-term affordable insulin program.

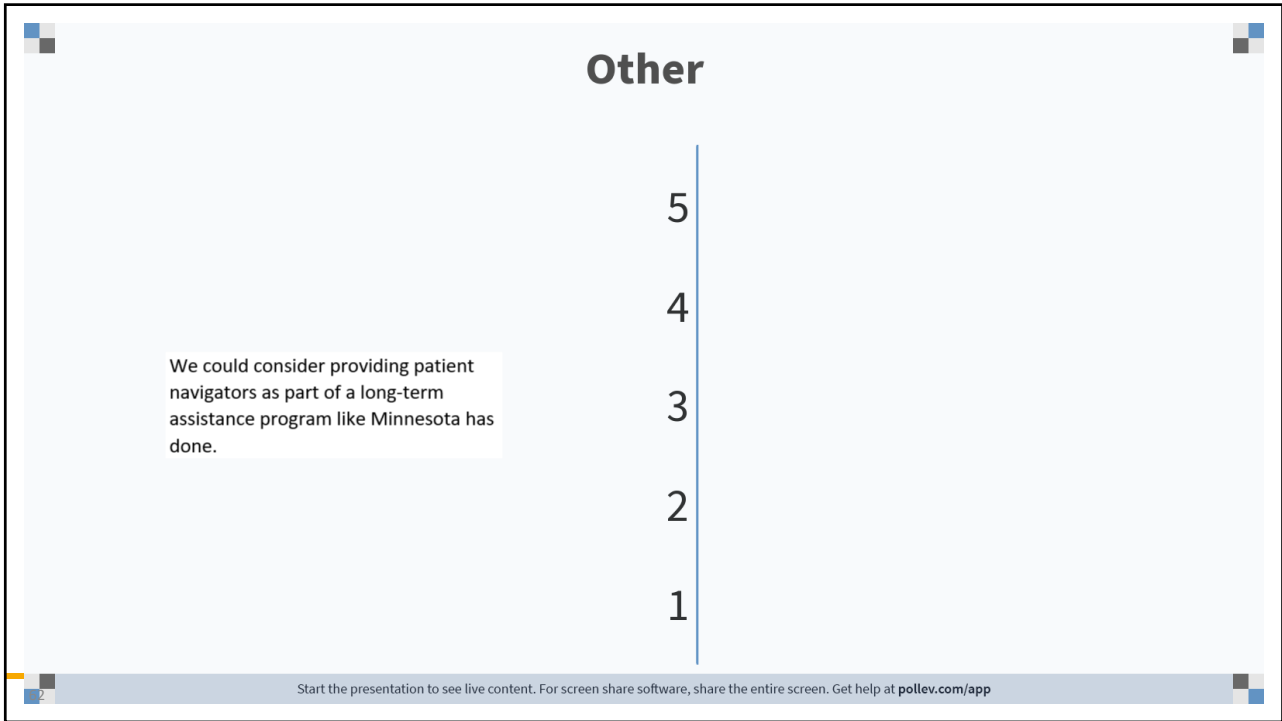
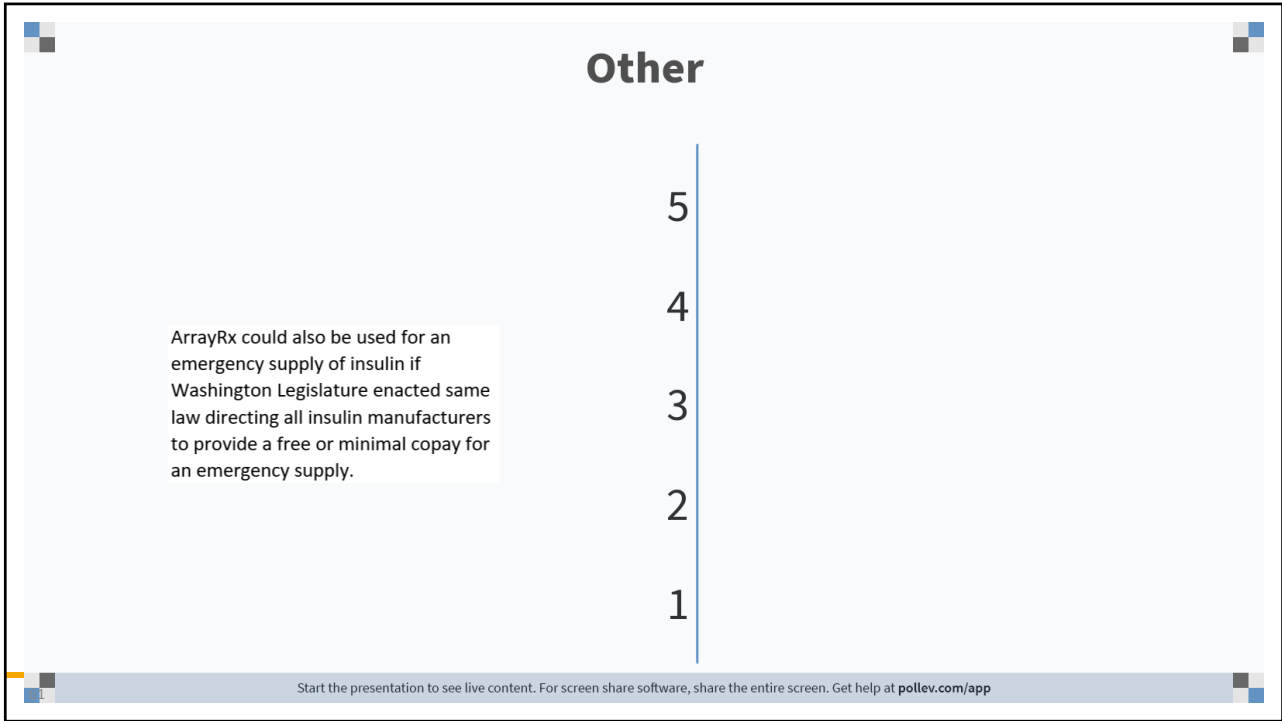
Start the presentation to see live content. For screen share software, share the entire screen. Get help at [pollev.com/app](https://pollev.com/app)

## Reporting Requirements

5  
4  
3  
2  
1

Require transparent financial disclosures from manufacturers, PBMs, and plans regarding what the plan paid, member paid, rebates, and acquisition costs through quarterly disclosure. This would require an exception to current Washington Drug Price Transparency (DPT) program rules.

Start the presentation to see live content. For screen share software, share the entire screen. Get help at [pollev.com/app](https://pollev.com/app)



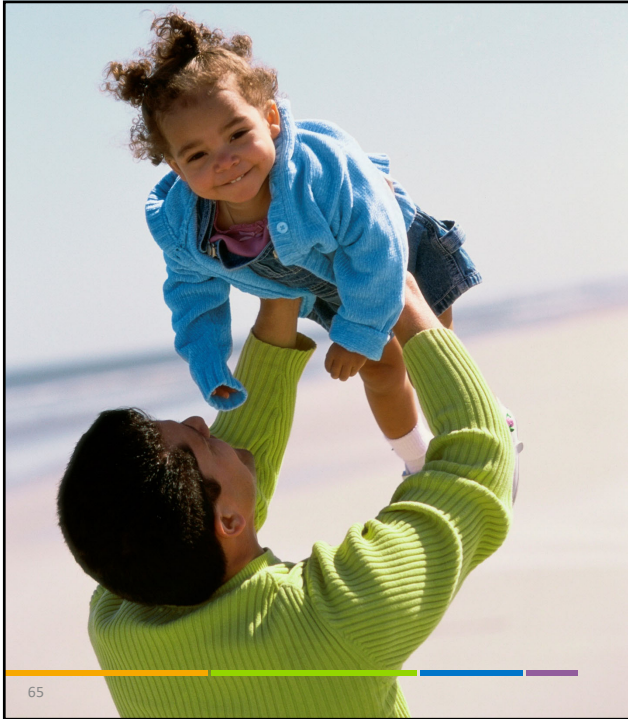
# Questions?

63

# 7. Next Steps

64





65

# Questions?

---

HCAPharmacyStrategy&Innovation  
[@hca.wa.gov](mailto:@hca.wa.gov)

Washington State  
Health Care Authority