Washington State Health Care Authority
Prescription Drug Affordability Board
Meeting Transcription
October 20, 2023

Mike Neuenschwander: Okay. Ready to go, Nonye? Okay. Well, great. I would like to welcome everyone out here today. Thank you for taking the time to come and meet with us. It is really great to see everybody and be able to sit here in person. We also have our virtual element online, so that is great for all of those who are listening in from all around the state. So thank you very much. Just a couple little things to get us started here. So first of all, this is a meeting for the Prescription Drug Affordability Board. This first meeting is really going to be kind of an introduction for everybody into the program, specifically talking about the history of the program and the legislation, going over just some of the administrative aspects and the rules of how to what kind of trainings do we need to take in order to get started and kick this thing off, and then talking a little bit about some of our plans for the future and some of the efforts that other states are doing. So I am very much trying to keep it a little more relaxed to get to know people in a little bit more and fill people in on what this is. So that is kind of our overall gist for the day. Also, because this is a working meeting here, please save any comments or questions from the public until the end. There will be a comment period at the end for people to chat and talk for a couple of minutes and share their questions or insights that they may have at the end of the meeting. Additionally, this meeting is being recorded, and it is going to be written up. And so with the way that the camera and the recording functions work, before you speak just please if you can introduce yourselves so that way when we write this up later, people who are listening online can know who is talking because the cameras are going to move around to the people who talk, and that way when we write it up we can make sure we are keeping accurate track of who said what for the meeting minutes. And so with that, we can start out and do a little bit of introductions. So my name is Mike Neuenschwander. I am the Director for the Prescription Drug Affordability Board, so I am working with the HCA team to support the Board and all their administrative aspects of trying to get the data together and really help get this program up and running. I have been here with the HCA for about six months, seven months now so still relatively new. But this has been an exciting opportunity for me to really jump in here and work for the State of Washington. I think next maybe if we can have our Board members introduce themselves and just say a little bit

about yourselves, then after that we can go through and have the staff talk and introduce themselves as well. We will be working with HCA and supporting the Board. So, Hung, would you like to start?

Hung Truong: Yeah. Hi, my name is Hung Truong, the Executive Director from Madrona Health. It is a pharmacy owned by Virginia Mason and Confluence Health and was at it for a few years prior to that. I have been with Virginia Mason since 2007, and prior to that I was at Bartell Drugs as a pharmacist.

Mike Neuenschwander: Okay.

Douglas Barthold: Hi, everyone. Douglas Barthold. I am a Research Assistant Professor at the University of Washington in the Comparative Health Outcomes Policy and Economics Institute (CHOICE) Institute, which is one of the main health economics research groups at University of Washington. We are within the Department of Pharmacy, but my training is on economics. I am a health economist. Most of my research focuses on health, how health policies influence management of chronic diseases, specifically through drug insurance and other state policies. And, yes, this is my first time working in legislative policy type of role and an advisory role for policy, so I am excited to bridge the gap between the research and the policies. Thanks.

MaryAnne Lindeblad: Good morning, MaryAnne Lindeblad. I am retired, which I can say is a wonderful thing to be, but you can often be busier as a retiree than you are as a state employee. I was the Medicaid director for nine years and retired two years ago but have been involved with health purchasing, primarily for Medicaid. I also have worked in health plan, actually worked for PVB, so a variety of different places that I have worked in doing things healthcare-related and pharmacy being one big piece of that, but now it is being more involved in other aspects like along with the free clinic here in Olympia with a community of tiny houses. And then I am on the Arcora Board, which is oral health related, so staying in touch with a variety of things, but it is really a privilege to be here with you today. So thank you.

Mike Neuenschwander: Wonderful. And I will say and introduce our fourth Board member. She was not able to make it today because of some personal conflicts that were planned quite a ways in advance, so Eileen Cody, who will be joining us here for our future meetings. And then also we have a fifth Board member we are working actively to appoint with governor's office right now, so we are still in the process of getting that fifth person but soon, hopefully, to be announced.

So I guess we can go around here to more of the HCA staff. Donna, would you like to start off and introduce yourself?

Donna Sullivan: Sure. Hi, everyone. I am Donna Sullivan. I am the Chief Pharmacy Officer with the Health Care Authority.

Mike Neuenschwander: Great. Thank you very much. Ryan.

Ryan Pistoresi: Sure. So I am Ryan Pistoresi. I am the Assistant Chief Pharmacy Officer here with Health Care Authority, and I help provide clinical support to the PDL.

Mike Neuenschwander: Great. Thank you very much. Simon?

Simon Borumand: Hey, everyone. I am Simon Borumand. I am on the Prescription Drug Affordability Board team working under Mike.

Mike Neuenschwander: Okay. Great. And Nonye.

Nonye Connor: Hi. My name is Nonye Connor, and I am a project manager here at HCA, and I am here helping stand up the PDAB Board.

Mike Neuenschwander: Great. And then Jingping, can you introduce yourself and also your team?

Jingping Xing: Hi, I'm Jingping Xing. I am the Cost And Quality Analytics Manager at the HCA data team. Also, my team provide data support to the PDL.

Mike Neuenschwander: And Marina, do you want to go next?

Marina Suzuki: Yes. Hello, everyone. My name is Marina Suzuki. I am a health economics research manager, so I will be helping you with the affordability review later.

Mike Neuenschwander: Great. Thank you. Sumaiya?

Sumaiya Sabeeh: Okay, yeah. Good morning, everyone. I am Sumaiya Sabeeh. I am part of cost and quality analytics, and I work as a drug price transparency data analyst.

Mike Neuenschwander: Great. Thank you, Arsheena.

Arsheena Hussein: Hi, good morning. My name is Arsheena Hussein. I am one of the data analysts for the drug price transparency program at HCA.

Mike Neuenschwander: And Kelly.

Kelly Wu: Hi, I am Kelly Wu, and I'm the PDAB Data Analyst, and I work under Jingping, and I will be pulling the data for our drug lists.

Mike Neuenschwander: Great. Okay, I think that is everyone here from our staff. So thank you very much for introducing yourselves. So, Board members, as these people reach out to you, I will be working with you a lot, and these are the familiar faces that we hope to be able to get well acquainted with you as we move through this work. And if you have questions, comments, or concerns, always feel free to reach out. We are happy to work with you and help you however we can because that is our job. And then just generally about the program as an introduction, we are really excited to be able to begin this adventure with you. It is an exciting and innovative new program. We are really at the beginning of this process. We are very lucky in that we also have a few other states that are also doing similar programs to us as well, and so we are all more or less in the same boat moving forward together on this. And that is also very good because we are able to collaborate with each other a little bit and try and figure things out. Okay, so how are you doing this? How are you looking at this? What are some of the things that you guys have found that are helpful or maybe problems? So that is one thing that is very exciting about this. I will also say that as a new team and as a brand new program Simon was hired here in June. I have been here for six or seven months. Kelly and Marina are also pretty new. So this is a new program. This is a new team. And so with that also comes some of the growing pains, the learning, the lessons as we try and build something new completely from scratch. So I also ask for patience as we work together to figure this out as we are moving forward. So with that, I think we will move into our agenda here, and we will first take a look at the background of this program and then talk a little bit more after that about what some other states are doing. So, Evan Klein is from the legislative arm here of HCA and is the expert extraordinaire related to the history of this bill. So I will turn it over to Evan to chat a little bit more. And we will have the [indistinct] can kind of just run through the slides for you if you want, and then feel free to present from there or from wherever -- whatever you want to do.

Evan Klein: Sure. Thanks, Mike. So Evan Klein. I am the Special Assistant for Legislative and Policy Affairs here at the Health Care Authority. In my role, I work prominently to support the agency's legislative engagement, state legislative

engagement, and government relations, but I also sit within our policy division and help support a number of different affordability initiatives that the agency has been involved in before working for the Health Care Authority I used to work for the state senate as well as the Health Benefit Exchange here in Washington. So I have seen some of these policies as they have evolved through enaction to implementation and will hopefully provide a little bit of insight on the background for Washington state's enaction of our Prescription Drug Affordability Board policy and give you a little bit of the context of how this work fits within some of the other work that the agency and some of our sister agencies are working on as well.

Unknown female: Sorry, [indistinct] --

Evan Klein: Of course, yeah.

Unknown female: Thank you.

Evan Klein: Let's go to the next slide. So, like I said, I just want to touch a little bit on some of the background around healthcare costs and give you some the context for why I think the state used this work of the Board as important. A little bit of background as well on some national and state transparency efforts so that you have some of the context again of where this work sits, and then talk about the authorizing statute and a little bit of a legislative history just to level set as you all start your kind of work today. So, next slide. This is a slide that we have used a couple of times including recently in front of the House Healthcare Committee earlier this week just to frame where we are in this international picture around healthcare costs and really just to share from our perspective costs don't -- the prices for what we pay in across the healthcare delivery system don't necessarily need to be. So we see -- this isn't intended to get you into too much detail -- but just to share the snapshot of what we pay for prescription drugs and certain services through hospital admissions relative to some other nations to give you a sense of as we work on affordability and cost containment that there are other places in the world that don't pay the same prices that we do for these services. Next slide. It is also an important reflection for us as we think about all of these policies from a consumer and a patient lens. Pharmacy and prescription drug prices are really critical in that they dictate in some circumstances whether people actually have access to the prescription drugs that they need. And just a little snapshot here from Kaiser Family Foundation, about 3 in 10 people say that they haven't taken their medications as prescribed purely due to the costs.

You know, overall pharmacy expenditures in the United States have grown over 90% from 2021 to 2022, and total US expenditures exceeded $630 billion dollars. And we anticipate that there will be further increases in 2023 as we see that data mature. So just trying to better understand what's driving those cost increases in the state and nationally and then think about what the controls are that the state might have to do something about that. So that is something that we are hypersensitive to hear at the Health Care Authority as Washington State's largest healthcare purchaser but also work that we feel we need to engage in for those who might be purchasing commercial insurance as well. In terms of where this work sits, it is important context to understand there have been a number of national cost transparency efforts over the past couple of years, many of which, as I will show, we have been on the forefront up here in Washington state. All payer claims databases have been a tool that states have enacted to better understand claims costs and expenditures at a state level and understand how those costs translate to specific services. There are, I believe, over 25 states that I figure might be then dated that have enacted legislation to implement all payer claims databases, and five states have some sort of voluntary effort underway as well. Cost growth benchmarks and costs Boards have been another tool more recently used by states to better understand what is driving cost growth within their state and try to put some downward pressure on cost growth at a health system level. So we have seen 10 states that have enacted cost growth benchmarks in some fashion. The Inflation Reduction Act -- this was passed in August of 2022 -- included a number of provisions related to healthcare. One in the prescription drug space was around Medicare prescription drug negotiation, so we recently saw the federal government choose the first 10 drugs for negotiation under that program. So it is just another tool that the federal government is trying to utilize to control costs, particularly for some of the big federal purchasing programs. And then around hospital and payer price transparency, there have been a couple of initiatives directing hospitals and insurance companies to provide more transparency on their prices on their negotiated rates, with publication of that taking place at an individual payer hospital level. So that is data that we are just now getting as a state and being able to tap into kind of parlay with our other state level transparency efforts, and hopefully, we will shine some more light on what type of contracting and reimbursement practices are taking place. Next slide. As I mentioned, a number of these efforts are underway in Washington state as well. We have had a prescription drug price transparency statute on the books since 2019, where HCA has been tasked with a lead role in analyzing data coming in from health carriers, PBMs,

prescription drug manufacturers and PSAOs. We take that data, we analyze it, and we aggregate it, and then provide cost and utilization reports back to the state legislature. We submit those reports annually. They are available publicly and create some of the backbone for the work that the Board will likely be doing. We also have a Healthcare Cost Transparency Board in Washington. This was enacted in 2020, and their work has been underway for a couple of years now. It is a 14-member Board. It is staffed by the Health Care Authority as well. The Board is tasked largely with analyzing cost growth in the state as well as cost drivers, and then establishing a cost growth benchmark. So, again, this is a system-wide benchmark to help shine some light on total cost growth across payers, providers, and prescription drugs in the state. And that Board does submit annual reports as well. They have some other initiatives focusing on hospital prices on primary care, and I expect -- and I think the Board's staff expect a lot of linkage between their work and your work over time, so that is something that we are actively engaging in as an agency. How do we cross support these Boards and these different initiatives because they are all linked together as we go and engage state policymakers on some of these macrolevel healthcare policies. We also have a number of other smaller transparency efforts that are linked as well. As I noted, we have an all payer claims database here in Washington state that the Health Care Authority does support. We also have a lot of financial reports that come into our state's department of health that we can share across sister agencies to help support a better understanding as an executive branch of what is happening across the system. I am not going to touch on this in too much detail because I think you are going to get into it a little bit later today but, as Mike noted, there are a number of other states that have enacted Prescription Drug Affordability Boards. We are not the first, but I think it is still safe to say that Washington is going to be out in front of a lot of this work. It is still in its infancy nationally but really exciting in that. Some of the Boards are permitted to set up repayment limits, not all. But generally, the Boards are all focused on cost transparency and cost containment in the prescription drug space and thinking about how prices prices are set. And I think you will also get into this a little bit later, but there is some variation in the price thresholds across those states and what drugs might be subject to the different Boards' purview, as I will talk a little bit about with the Washington State enacting legislation as well. Next slide. So your charge was really created by Senate Bill 5532 back in 2022. The enacting legislation for the Prescription Drug Affordability Board was passed during that session. The prime sponsor for that bill was Senator Karen Keiser, who I know sends her warm regards to the Board and the initiation of this work. The Board was

largely based on NASHP model legislation, which is the National Academy of State Health Policy, and served as a model for a number of the other states that have enacted bills as well. Washington State's policy was amended a bit during the process, so as you will hear as you get into the meat of your work, our enacting legislation does not perfectly align with the statutes that exist in other states. Particularly, there was codification of some requirements to delay implementation of rules and upper payment limits. So when those get proposed and selected by you all, there is going to be some delay in how our state is going to be able to implement those -- I will get into that in a little bit more detail -- as well as some increased thresholds around affordability reviews and upper payment limits, so increasing the threshold for drugs that qualify for your review and for setting upper payment limits, so decreasing slightly the scope of the purview of your work. But the Board was enacted to be a five-member Board appointed by the governor. So as Mike noted, we have four members selected today and I think a fifth, hopefully, on the way, so looking forward to having a complete filled out Board that serves five-year terms, and there are some prohibitions on conflicts of interest, which we are all well aware of. In terms of the Board's work, I view it as falling into two primary buckets. The first is undertaking affordability reviews, and that is really looking at the drugs that are subject to the Board's purview and determining which of those you want to focus on to better understand what is driving those costs. So, the drugs that are subject to your purview are brand names and biologics. They have to have a wholesale acquisition cost of $60,000 or more or a price increase of 15% per year or 50% over three years. For biosimilars, they have a initial acquisition cost at least 15% lower than the reference product -- sorry, not at least. I think there is a typo there -- greater than 15% above the reference product, and then generics with a wholesale acquisition cost of $100 or more for a 30-day supply, which increased 200% reported in the previous year. So this is some of the work that I know the Board team is doing right now is taking the criteria in statute and analyzing the initial scope of drugs that might be subject to the affordability review. Next slide. And so this statute also directs the total scope and volume of drugs that you are able to review, so the Board may conduct affordability reviews of up to 24 drugs per year and must determine whether the drug led or will lead to excess costs to patients. So again, really the emphasis here is on patients and consumers and understanding the impacts to them. There are some considerations that are outlined in statute, considering relevant price factors, average patient costs, effects on access, including orphan drug status, whether there are therapeutic alternatives, and taking input from patients and medical experts recognizing that there are a

lot of folks throughout the state who have expertise in this space, and we want to make sure that we are learning from that as well throughout the process. Next slide. So the other big bucket of this work and kind of the secondary part of the Board's charge is around establishing upper payment limits. So upper payment limits in statute can apply to all drugs purchased by any entity and reimbursements for a claim for the drug by a health carrier. Employer -- the one caveat to that is employer-sponsored, self-funded health plans may elect to be subject to upper payment limits. But because of ERISA preemption provisions at federal level, we, as a state were unable to direct self-funded health plans to have to participate in the program. The Health Care Authority must adopt rules in establishing upper payment limit methodology. I know that is some work that I imagine will be underway in conjunction with you all over the next couple of months. Those rules and upper payment limits, as I previously noted, all are delayed in their implementation. The state statute prohibits those -- any rules adopted by the Board and any upper payment limits established by the Board from taking effect until 90 days after the next legislative session. So, for example, if you were to adopt rules today, the next legislative session starts in early January of 2024 and adjourns in March of 2024, so those rules wouldn't be able to take effect until 90 days after that legislative session. This is just a provision that the agency was really cognizant of, and we do want to continue to have conversations with you all about whether that is creating any barriers to implementation, delaying anything, and we want to make sure that we are engaging with you and also engaging with our state legislature and other policymakers around the effectiveness of some of these provisions going forward. The Board can set upper payment limits on up to 12 drugs per year beginning in 2027. So this is going to be a long road, right? The first couple of years are going to be very hyper focused on obviously getting the Board up and running and some of the initial analysis in affordability reviews, but eventually the state envisioned the Board would have the opportunity to start setting upper payment limits. In doing so, the Board is directed to consider a couple of things, cost of administering the drug, cost of delivering that drug to patients, the status of the drug on a drug shortage list, and any other relevant administrative costs related to the production or delivery, and also must post notice of any upper payment limits and hold public comment 30 days before setting an upper payment limit. So next steps, I just wanted to let you know as I noted, we are cognizant of some of the provisions that were inevitably enacted in the authorizing statute for the Board that differ from how other states have approached prescription drug affordability Boards. And the Health Care Authority did propose agency request legislation this

past legislative session, House Bill 1269. That would have adjusted a couple of those provisions, removing the 90-day delay provision and decreasing some of the thresholds for drugs subject to the Board's purview. That bill has not been enacted by the Legislature. It is also a policy we don't envision engaging heavily on this upcoming legislative session, but it was an active bill. It did create some good dialogue with the Legislature this past year, and it is something we are happy to talk with you about a bit more, but I just wanted to call that out given its recency and some of our conversations in this space. We are not proposing any additional agency request legislation or other changes to the Prescription Drug Affordability Board statute this upcoming session. But we do want to continue partnership with the Legislature and our sister agencies as I referenced, right? This is one of many affordability policies that the state is engaged on. There is a lot of connectivity between what work you will be doing and the work that is taking place with our Healthcare Cost Transparency Board but also all of the other transparency initiatives that are taking place across the state and a lot of linkage to other affordability policies that we know the Legislature will be deliberating. So part of all of this is we also want to lean on you and your expertise and learn from you in the process because we expect that you, as a Board, will bring some really unique insights to the prescription drug space. And so one of the things that I will be working with Mike on is figuring out how in my role in legislative affairs how we can start to get you tapped into the conversations we are having with policymakers over time because we know that we are creating both this space for the work on affordability and cost containment but also creating kind of a unique set of experts that the state can then lean on to support broader initiatives. So with that, I will pause and see if there are any questions for me. Otherwise, I am happy to turn it back over, and I just appreciate you giving me the time today. Board members, any questions, thoughts, comments? Don't be shy.

Mike Neuenschwander: Any questions?

Douglas Barthold: Yeah. And so, I don't know how much we are going to get into the details of sort of how these things work and what we are allowed to do, so I guess one of my fundamental questions is, you mentioned the two main activities are the affordability review and the and limits, does the Board have power to set those or to recommend to those?

Evan Klein: To set them.

Douglas Barthold: And then that is policy, so it's not a recommendation policy?

Evan Klein: Correct. The Board has authority to select the drugs that would be subject to the affordability reviews and then conduct those affordability reviews, which will translate into annual reports back to the Legislature on any analysis around those drugs. And then the Board is vested in the authority to establish upper payment limits. Again, with those upper payment limits, there is some delay between when you select them or set them and implementation at a statewide level, but that was authority vested.

Douglas Barthold: Okay. Thanks. And then the other question about the about the upper payment limits. Is that -- are we talking about price or cost or out-of-pocket costs? What exactly is the payment in that?

Evan Klein: The payment is how much a health plan would be able to pay for a prescription drug, so when the health plan is purchasing a drug.

Douglas Barthold: I see. And so then is that irrespective of how much is paid out-of-pocket for it? Or is that [indistinct]?

Evan Klein: I would have to get back to you probably on the specific nuances of the statute, but my understanding is the statute itself doesn't direct any specific cost-sharing requirements for consumers. It is looking at upper payment limits again just at the health plan purchase payment level, so how much the plan would pay, which is directed to be passed on to consumers. But I believe -- and I can get back to you on this -- the statute would permit the health plan to do so through premium decreases as well as direct cost-sharing [indistinct].

Douglas Barthold: And then -- sorry, some more follow ups -- and then that is per unit, right? And so it's a upper payment limit per unit price. And then you mentioned that legislation doesn't have anything about cost-sharing. Does that mean that the Board cannot regulate cost-sharing? Or is that there just wasn't anything? What does that mean?

Evan Klein: Yeah. So there is nothing in the enacting legislation that I am aware of that would grant the Board direct authority to establish cost-sharing limits for any prescription drugs. That is still something that is generally subject to the purview of health plans, or it could be action taken by the state legislature. A good example of that is the state Legislature did recently, I think two years

ago, enact a cost-sharing limitation for insulin, and then just reauthorized that into perpetuity this past session. So there is some authority that the state may have, but in terms of the Board, I believe there are some limitations there. Ryan?

Ryan Pistoresi: Yeah. I just wanted to clarify. So although the Board does not have any ability to set or influence out-of-pocket costs under the use of savings section, it does say that even savings generated by the health plan from an upper payment limit must be used to reduce costs to consumers prioritizing the reduction of out-of-pocket costs. So it is up to the health plans that are choosing to participate in a number of payment limit to show the Legislature that they are reducing out-of-pocket costs, and they are required to submit a report to the Board, it looks like on March 1st of every year after upper payment limits are [indistinct].

Douglas Barthold: That showed that 100% of the savings from the price change goes to consumers?

Ryan Pistoresi: Yes. I believe that we will be able to let them know what we believe the calculation that they must use, so I think the Board has the purview to set a calculation for saying here is how an upper payment limit should be offsetting the cost, and then they must be demonstrating what their out-of-pocket costs would have been without the upper payment limit and what it is thereafter.

Douglas Barthold: Okay, thanks.

Hung Truong: And that could include premiums.

Evan Klein: Yes, correct. And I think this is something that we will be tackling next year in 2024.

Douglas Barthold: And so how would savings to Medicaid consumers be passed on if their premiums are zero or already close to zero and [indistinct] is so low?

Evan Klein: Yeah. So the vast majority of individuals enrolled in Medicaid or Apple Health are paying no premiums and no out-of-pocket costs for their prescription drugs. So it's a really good question. It is something that we want to analyze. It wouldn't be a direct impact on consumers in that instance, right? It is more of a impact on state spending on prescription drugs.

Douglas Barthold: Thanks.

Nonye Connor: Sorry. I just want to remind, if you speak, please speak a little louder and say your name before speaking so that [cross-talk] -- thank you -- so that we can capture four minutes. Thank you so much.

Hung Truong: On the SB 5532, was there bipartisan support for the bill?

Evan Klein: I believe, yes, and would want to go back and double check. I don't know off the top of my head the extent of that, but I believe there were at least a couple of members of the House -- Republican members of the house who supported that policy, but I double checked the legislative history.

Ryan Pistoresi: Evan, I pulled it up. Do you want to look at it real quick?

Evan Klein: Sure. Yeah.

Ryan Pistoresi: So when it passed out of the House, it had 53 days, 39 days to excuse. And then in the Senate it was 28 Yeas and 20 Nays, so it didn't pass with some room, but it was a bit contested about 60:40. That was it.

Mike Neuenschwander: All right. Any other questions for Evan.

Evan Klein: And I will also just note I have my contact information here. Obviously, you can always engage with the Board staff, and they will pull me in, as necessary. But if you ever have any questions about what is happening in the legislative space in our ECAs broader engagement on some of these different initiatives, please don't hesitate to reach out and happy to be a resource as well. Otherwise, I look forward to working with you as you get underway. Thanks.

Mike Neuenschwander: Great. Thank you very much. So now we will move on to the next presentation, which Evan alluded a little bit to, in terms of efforts in other states, and so I will just run through those quick. I will start out by saying that the majority of the people that we are working with are in Colorado, Maryland, and Oregon. So I meet very regularly with them. We are more or less kind of in a similar space in working together to try and move the ball forward. So with that, we will just hop in here. So as Evan mentioned before, NASHP, the National Academy for State and Health Policy, came up with the draft template with this legislation to start being looked at. It was adopted by

the following states, and we have had a few others hopping on here recently, Minnesota, the most recent edition, but they are still very much just at the very beginning of standing up their program. Colorado, Washington, and Maryland have the authority to implement upper payment limits. So we are a little unique in that, and we will be working on that together as we move forward. Next slide. Some other states don't have exactly the same efforts that we have and even amongst the ones that do have PDABs. There is, as Evan mentioned, some differences in how they have all chosen to implement their different programs. They have different limits and different ways in which they are set up and how they get money, and they report it to state. In Massachusetts, they have implemented enhanced negotiating authority for Medicaid programs allowing states to directly negotiate. And then New York has implemented Medicaid drug benefit budget caps so they can negotiate with drug manufacturers for supplemental rebates. So again, I haven't worked too much with them on that. Next. But Colorado is definitely one of our main partners that we have been working with closely. So their goals of what they are doing in their state is to study information concerning the cost of prescription drugs sold to Colorado customers performing affordability reviews on those drugs. Eventually, they will work to establish upper payment limits on select drugs and then make policy recommendations to the Colorado Legislature for affordability. So that is the overall goal of their program. In terms of current efforts, what they have actually done is very recently, they have selected five drugs for affordability reviews, which you can see right here. So those are the beginning of their lists, and they have also released an eligible drug dashBoard, which is basically just a tool for displaying data regarding selection of their drugs and helping them figure out how they were going to select that. So next, we have our neighbors just to the south, the beautiful State of Oregon. So their goal is to evaluate the cost of prescription drugs and determine whether they present an affordability challenge for Oregonians, and then they are going to try and identify nine drugs and at least one insulin product per year to conduct an affordability review. That is kind off their charge. In terms of current efforts, the Oregon Legislature acted on the Board recommendations by passing a new Senate bill this last summer, and so in that it says the PBMs are to report annually to the Department of Consumer and Business Services about rebates, fees, and price protection payments. And also, they are going to basically establish a committee to look into establishing upper payment limits, so they don't have upper payment limits. They are investigating upper payment limits. And then they also released a report on the generic drug market 2023. And then Maryland, their goals are to study the entire pharmaceutical distribution and

payment system in Maryland, research policy options being used in other states and recommend legislative actions including setting upper payment limits, reverse auction marketplaces, and implementing bulk purchases. And then their current efforts. Right now they are working on updating their regulations. They are receiving introductory presentations on upper payment limits, so researching and studying that. And they will conduct additional drug cost reviews next year, and released an annual cost review report in December 2022, and then also released a report on operations of generic drug market in 2022. And then these next two, again, I haven't worked a lot with these states, so I don't know quite as much in terms of the internal workings of exactly what is going on, but general goals determine annual spending targets for prescription drugs for Maine. Spending targets will be based on a 10-year rolling average, and the spending targets will be determined on specific prescription drugs that may cause affordability challenges. And their efforts have recommended to the Legislature to institute international reference rates alongside Medicare reference rates and released annual reports for two years. Then, finally, New Hampshire. End goals to determine annual spending targets for prescription drugs purchased by New Hampshire and make recommendations to achieve targets. Spending targets will be calculated using a formula similar to Maine's, and they will be achieved through a variety of policy approaches, negotiated rebates, changing formulary and bulk purchasing agreements. And then their current efforts, they received presentations on pharmaceutical supply chains, finalized the PDAB regulatory framework, and released a couple of reports on costliest drugs, frequently prescribed drugs, and drugs with a highest year-over-year cost. So those are just some of the efforts with some of the other states. And again, I think we are really fortunate to be able to work with some of these other states as partners. Because as we are working to try and develop our methodologies and figure out how to build these programs, again, this is kind of uncharted territory, so being able to collaborate, being able to learn from them and how they have approached this has been a real blessing for us, especially as we have a relatively small team, and we are still building our staff. It has been great having their support to be able to take a look at things. And then just in terms of our general objectives, so looking at the other state's efforts and then looking at my vision here for what we might be able to do in the next coming years. So generally speaking, when I think about what we are going to do, I know Evan talked about the drug reviews and upper payment limits are the two big houses on the hill that we are trying to arrive at someday, but there is a lot of smaller stuff that we are going to have to do in the meantime in order to get to there. So for this year

when I think about what we are going to be doing first thing for the immediate future is setting up policies and procedures on how our Board will operate. So we have currently started our first set of rules to govern how the Board is administered and how we are going to be working. We will talk a little bit more about that here in the future, and we will also have a presentation on the rulemaking process for those of us who aren't familiar. But the policies the way I envision is the WAC is more like the rules Washington Administrative Code WAC, and it is like what do we need to do? And then the policies are more like how we are going to get it done. And because the policies are going to be determined by the Board, they are going to be able for us to work on them, to change them, adapt them. Basically, the policies have a lot more ability to be agile and flexible for our needs as we are working through it, whereas the WAC, as was mentioned by Evan, is going to be a little bit more difficult to update to change. So first thing, Policy. Second, Education. I know in our own team we have some people with extensive pharmacy background, some people who are policy people, people who are more project management and administrative. We have our data team. So we have a lot of people who are coming at this from a variety of backgrounds. And our Board has strict government experience, industry, and working with the education system, so there is a wide variety of backgrounds here as well. So I think education for the Board as a whole is going to be an important step. Evan mentioned there is NASHP, who have been the initial people who started this project creating the draft legislation. They have been really excellent resources as we have started to research methodologies of how we are going to conduct these drug affordability reviews. What is an upper payment going to look like? And how is that going to actually function? Portal has been another partner. They are a policy group program on regulation, therapeutics, and law based out of Harvard, who has been working with NASHP as well to create [indistinct] papers and information on these different aspects of the Prescription Drug Affordability Board. And I know they have also -- Portal has been working closely with the Colorado Board as well to educate them and work with them in terms of so here is exactly what a drug review methodology might look like. Here are some of the things to consider when we are talking about upper payment limits. I know there were already some really good questions on what exactly does this mean? And the answer right now for some of those things is, "I don't know." And so I think working with some of these partners to try and find those answers for ourselves. And that is going to be one of the great tasks of the Board is grading those answers. So education, I think, will be another key pillar of helping us move forward in our meetings and learning about this together.

Before we can do a drug review, we have got to have a list of drugs to review. So, right now, we are also working on creating that list of drugs. And Evan mentioned there are certain stipulations on the types of drugs we can look, how much they cost, how long they have been on the market. So working on, A.) creating that initial list of potential drugs to review, which we are doing right now, and then B.) once that list is created, how many drugs are we going to pick? In the legislation, as Evan mentioned, we can review up to 24, but that is a little ambitious, especially for right out the gate. Colorado, as we saw, chose five to start off their review process. So that is something that will also be up for discussion as we are moving here through this next year. And then once we do that, also create methodologies for those drug reviews. So there are still a lot of questions that we need to answer. For example, what exactly does excess cost to consumers mean? What does affordability mean? How are we going to be trying to look at that and measure it? There are a lot of things that we are going to have to figure out as we put together these reviews so that we can make sure we are all on the same page, and we are using data that is [indistinct]. Right? So that is kind of my vision here for the first year, which is a lot. It is putting all of this together, and it is going to be a fair chunk of work. Then moving on to the next year -- just thinking further ahead and out in the distance -- we have to create the methodology for the drug review, but then we actually have to start doing the reviews. We have to pick the drugs and do the review on those drugs. And then also, we will have to create the methodologies for the upper payment limits and cost savings. One thing I will say is the Legislation outlined that by December of this year we needed to look at methodologies for cost savings. It is not necessarily saying we have to choose it and put it in a rule by December this year because it is just not possible, but we need to look at that. So Marina, who is our Health Economist, has already began putting together information on that, so that will be something that we are going to be talking about during our December Board meeting. And additionally, as Evan also mentioned, the upper payment limits are not going to come into effect until 2027. So the cost savings comes after the upper payment limits. Upper payment limits don't until 2027, so we still have some time. This isn't something that we have to do right now. We will have to do the methodologies. After we do the methodologies, then we have to create the rules surrounding that, which again will take time. So that is on the radar, and you know we are thinking about that. And so those are when I think about my general task-driven objectives for the coming months and years, those are some of the things that we are going to be looking at and talking about, and I will talk about a little bit more towards the end of the meeting about our next meeting agenda and

timings for that kind of stuff. In terms of general administrative objectives, first thing I would mention, again, is trying to use the other states as guidelines as much as possible. They have some great experience. They are already working on it and developing methodologies, so I am a big fan of not reinventing the wheel if I don't have to. Of course, our programs aren't perfectly aligned, so we will have to make some changes and some tweaks. So first, working with other states as partners. Second, just in terms of how I am hoping and envisioning the meetings to work. So what I envision as the HCA staff, we are here to support you. We are here to crunch those numbers, build those reports, and give you work products to look at. So send those work products for you to review so that way when the meeting comes you guys have a chance to look at it. You are prepared and ready to come into a discussion. And then with that, each meeting to hopefully have all posts or decisions that we are wanting to make, so that way for every meeting it is like, this is what we are going to review, this is what we want to decide, and we get it done, and then we are ready to move on to the next step. Then after a given meeting, if there are questions, if there are concerns, if there are other things that we want to look at, we will then take that back and give us time to be able to answer and address those questions, crunch the numbers again, create the report, send it out for you to have plenty of time to review, and then decide and the next meeting. So this is generally how I am hoping these meetings will run. And then finally, again, because the program is new, I know as we are creating these reports, as we are doing these reviews, as we are looking at these methodologies, we are going to have to tweak. We are going to have to adjust. We may put everything together and say how mad -- maybe this just isn't quite what I was hoping to have it look like. So being able to adapt [audio cuts out] as well. So generally speaking, that is the history of the legislation, that is what the other states are doing, and these are our general objectives moving forward. Questions, comments, thoughts?

Hung Truong: [Indistinct] Board member.

MaryAnne Lindeblad: Thank you.

Hung Truong: How often are you connecting with the other states? And is there an opportunity for us to connect with other members?

Mike Neuenschwander: So I talk with them at least weekly. Sometimes I bother them, or they bother me more often. But, yes, we are in pretty regular contact. And then, additionally, another great thing that is happening is our data team. Jingping

is in charge of our data team. The data teams across those four states, Maryland, Oregon, Washington, and Colorado are also beginning to work together and connect, so that way from the data front they are sharing their methodologies, and the gurus who are really good with the numbers are getting together and figuring out what the best way is to do this. How are you guys doing it? We can't figure this out. So yeah, we are in pretty regular communication with the other states. In terms of being able to talk with the other Boards, Ryan?

Ryan Pistoresi: Yeah. So this is Ryan Pistoresi, HCA. So anytime that you would be meeting together as a group, that would be considered a Board meeting, almost, and we will get the Open Public Meeting Training Act later in this presentation, but they all talk about things that you can and can't do. But in a situation where you would be meeting with other Board members, I believe it would be prohibited unless it was done in a setting like this. And I was going to see who was doing that presentation because, [cross-talk] --

Nonye Connor: They are on their way. [Cross-talk] --

Mike Neuenschwander: They are on their way [cross-talk] --

Ryan Pistoresi: He is right here.

Multiple Speakers: [Cross-talk] [indistinct] [laughter].

Ryan Pistoresi: Yeah. So yeah, our AAG will be able to get that.

Michael Tunick: Yeah, yeah. So you can't have a forum and discuss Board business together. And it is a quorum, being three people, which happens to be the number of people here. But there is also sort of a concept of daisy chaining, which is sort of Hung talks to Doug talks to MaryAnne, and so instead of the quorum-seeking behavior to get around the quorum requirement is, so you yeah, so you [cross-talk] --

Douglas Barthold: [Cross-talk] Let's say ten. Sorry, Doug Barthold, Board Member. You can -- two people can talk anytime they want about whatever they want?

Michael Tunick: Yeah, yeah. And so if you -- yeah, you can. It is one of those things where sort of we recommend against, like, driving to functions together, but if you happen to meet up at a cocktail party, you can talk, even if there is more than

three of you present, but you should avoid talking about Board business. And even if there are only two of you present, you can still run into problems if the two of you talk about business and then sort of separately, like [cross-talk] --

Douglas Barthold: Summarize [cross-talk] --

Michael Tunick: Yeah, then you call someone and, like, hey. Yeah. So we sort of say, yes, you can talk about things amongst yourselves, but if there is a forum present, you need to have it in a meeting that the public can launch. So sort of the advice is please don't.

Multiple Speakers: [Laughter]

Douglas Barthold: Okay, great. And then I was just wondering -- so I had some additional questions about the authority that we, the Board, have. Sorry, Doug Barthold. And should I wait and email about [indistinct]? Should I wait on that, or is this a good time for that, or what?

Ryan Pistoresi: Yeah. This is Ryan, HCA. Yeah, I mean, you can ask the question now, and then we can see whether we can answer it here or [cross-talk] --

Douglas Barthold: Okay. Yeah, just because I think it is helpful for me as I think about what we are trying to do. So the one critical thing that I forgot to ask was that when we talk about the upper payment limits and what payors that applies to, does that only apply to the HCA and the drugs that they buy, or is it like to every payor in the State of Washington?

Ryan Pistoresi: So this is Ryan at HCA. I believe it applies to any health carriers in the state, but I can look through the RCW real quick and confirm that.

Simon Borumand: Except for ERISA plans. [cross-talk] --

Ryan Pistoresi: Except for -- yeah, the self-funded.

Simon Borumand: This is Simon Borumand. And so, right. Those that are governed by the federal law, ERISA, which is a larger self-funded employer.

Multiple Speakers: Yeah. [Cross-talk].

Douglas Barthold: And follow up. So once some IRA price negotiations come into conflict with whatever we are trying to regulate about price for some of these drugs, and I guess federal gets priority? Is that right?

Ryan Pistoresi: So this is Ryan, HCA. So the IRA will mainly impact Medicare, and I believe that the way the health carriers are set up in state would be for the commercially-insured population and not necessarily the Medicare population.

Douglas Barthold: But if you are in a private Part D plan or Medicare Advantage Plan who is buying drugs in Washington, wouldn't they be regulated by both us and the IRA?

Ryan Pistoresi: That is a good question and I think something we will need to look at more about. I think we were previously under the assumption that the Medicare and Medicaid type of plans wouldn't necessarily be directly impacted by this. But this is something that I think we will need to talk about with our AAGs.

Mike Neuenschwander: And too, I will say -- Michael Neuenschwander -- we don't have everything figured out quite yet. As we move forward, this is probably going to be the center of a lot of really good discussion during some of our meetings of exactly what does this means. What are the consequences? How does this apply? So one of the things that I will say, we don't have all the answers yet, but that is why we have you. Right? So we can work together to create those answers. So we will look into that, but we are -- especially around the upper payment limits, I think. Right now, I think the bigger focus is to figure out this initial drug list. Let's get these methodologies for the review. And we have got three years to tackle the upper payment limits. I know that is probably going to be one of the more difficult pieces to tackle, but thankfully we have a little bit of time to really ponder on some of these questions.

Douglas Barthold: Okay.

Nonye Connor: Nonye speaking. I think, Donna -- Donna, did you want to say something? I saw your hands up earlier.

Donna Sullivan: Yeah. So this is Donna Sullivan. I just wanted to remind the Board or point out that the upper payment limit only applies to drugs dispensed at a retail

pharmacy or a pharmacy, so no physician-administered drugs or anything that is an infusion in an outpatient setting, like outpatient hospital setting or in a doctor's office, would be the UPLs would not apply to those drugs. So that might help answer some of the questions that I think were coming up about the different programs that might be impacted by the UPLs.

Hung Truong: Prescription price transparency data, does that include all commercial and ERISA and everything else that the HCA has data to?

Ryan Pistoresi: Yeah, so this is Ryan, HCA. Yeah. So through that all peers claims database, which I believe is about 70% of the state's population we have access to, and the Board will have access to, so when we are looking at costs that the state will primarily be that population if we do get other nonspecific plan information and maybe will be able to share that, too.

Michael Tunick: Yeah, and just add so this is for the affordability reviews, the Board may examine publicly available information as well as collect confidential and proprietary information from the prescription drug manufacturer, and other relevant sources. So that is in here also. The Health Care Authority can set fines, and I think you have got draft regulations that talk about setting fines if they don't comply with those records requests. Okay.

Douglas Barthold: I have just one other question about this. Sorry, this is Douglas Barthold. One other question about the general sort of purview of the Board, authority of the Board, it is my understanding that the legislation says that -- I guess the drug affordability review and the upper payment limits are the main outputs of this Board. And I guess my question is, is there flexibility for any other types of policy to come out of it to be an output of this Board? And I am just thinking about what I saw around the goals of consumer affordability, and I can think of other policies that would impact consumer affordability aside from upper payment limits, and so I am just wondering if there is any additional flexibility for policy outputs?

Ryan Pistoresi: So this is Ryan from HCA. And I do believe that you may be able to, so it may not be a primary function, but we do say that you are able to work with other Boards within the state government. And as Evan mentioned, there is the health care cost transparency Board. I don't know what the type of function or communication would be, but maybe this Board could write a letter with your support in support and deliver it or present it at that Healthcare Cost Transparency Board. We haven't really considered it yet, but I think that that

would be something we could take back and explore in case you are interested in other avenues of drug affordability or drug access in our state.

Douglas Barthold: Yeah. This is Douglas Barthold. The regulations on cost-sharing I think are certainly a target that I would be interested in. And so I don't know if that means we can make recommendations to, I guess, the Office of the Insurance Commissioner or something, but that is certainly from my experiences in looking at the evidence on like state policies that impact consumer spending. I have seen a lot of good evidence to show that cost-sharing regulations are effective. There is, I think, like, price setting is more difficult, and as we go it is going to be very complicated. It is complicated, and there is less evidence on the effects of that, and so that is kind of -- I'm not saying I'm not interested in it. I think it's a good avenue for us, but I just think -- I guess that is why I asked this question about other possible policy outputs.

Hung Truong: I am in total agreement because that is in the backend, so the consumer is not going to see any of that unless it is cost-sharing or out-of-pocket that we need to make a dent on.

Ryan Pistoresi: This is Ryan from HCA. Yeah. I think we may be able to explore meeting with OIC. We do have a few contacts. I know that they were interested in this legislation as it was going through session and explore from there.

Mike Neuenschwander: All right. Other questions? Thoughts? Okay. And this is one of the great things that I really like about working here is that we have so many great team members, so many great people and resources to work with to help answer our questions. So I think that is the first part here, first set of presentations. So, Nonye, I think it is time now we can take a little break, and then we will come back for the other presentations.

Nonye Connor: Yes. Nonye speaking. So we can be back in 10 minutes for a break.

Mike Neuenschwander: Okay.

Nonye Connor: Back at 10:20.

Michael Tunick: Thanks.

Mike Neuenschwander: Great. Thank you, everybody, for coming back. Thanks for letting us have that little break there. We will be getting started here. Our next presenters

are here and ready to go. I know they are as excited as I am. Just a quick reminder, for those of you who are joining, please always make sure you speak up. There are microphones on the top of the room. You just need to like project a little bit so that way the people in Zoomland can hear us well. Additionally, I know we have had some really great questions and answers. As I mentioned before, we don't have -- we might not have all of the answers right now, but any questions that we don't know the exact answer to, we will make sure we will write those down and get back to you on that. So thank you very much. And so now I think we can move on to some of our more specific regulatory and administrative training. And we have the AGs here to help us with all of that. So, Michael, are you up first?

Michael Tunick: I am up first. Yeah. So Michael Tunick, Assistant Attorney General. I actually will be serving as legal counsel to the Board, so I will plan to attend these meetings going forward. And so I introduced myself at the beginning but, yes, so legal counsel to the Board. I will also be available to provide legal advice to support the HCA staff who support you. But I am here to talk about parliamentary procedure and Robert's Rules of Order, in particular, and I will be interspersing parts about the Open Public Meetings Act, although my hope is that, at this point, you have had an opportunity to watch an online video from my office website. If not, I can provide individual training, or you can watch that on your own time later. So again, there will be OPMA patient interspersed, but this will probably primarily be on the meetings themselves. And I meant to bring my demonstrative exhibits of the 700-page Robert's Rules of Order and the 200-page Robert's Rules, in brief, just to say that it is very long. It is what I have just distilled these down to about 16 slides, so you don't have to go through them. And if you already know these rules, I applaud you, but what I want you to keep in mind is when either on this or other Boards and some of your fellow Board members are struggling with these rules, what can you do to sort of help them along. And next slide, please. I guess that was the overview slide. So just what is parliamentary procedure? It is just a body of rules for conducting a meeting and making decisions as the group and the agreed upon rules that you use when you come together to present and discuss choices and make decisions. The term itself derives from some of the parliamentary system of government like in England and other Commonwealth-type countries. By far the most widely used book and what I understand this Board will use is Robert's Rules, and so that is what I am focusing on here. The fundamental principles of parliamentary procedure are one question at a time. Every member has the right to voice an opinion. One person, one vote. Majority rule while

protecting the rights of the dissenters. We must always be respectful to one another. And so there were some very good presentations earlier just sort of talking about the authorities that govern the Board. And so there is the Open Public Meetings Act, ethics and public service. There is the enabling statute itself that created the Board of five members, three to be a quorum. But then there is below that there would be bylaws or a charter. Mike was talking about how they are publishing or drafting the policies and procedures, which have been drafted here in the back of your book. I will be referring to that set as well. And then there is the Rules of Order, which is Robert's Rules. So those book authorities will take precedence where they might conflict. And so one precedent that we are talking about. I will get to the Open Public Meetings Act stuff later with the executive session. So with Robert's Rules you can vote during executive sessions, but with the Open Public Meetings Act, the votes have to be done in the open session so that the public can see what is going on with the decisions. That is something where the OPMA would take precedence over Robert's Rules. And then finally custom is the first meeting. So the customs are things where they might seem like they are in a rule, but they are not written down. This being the first meeting, we haven't really established a custom. But I was dropping my kindergartener off at school this morning. As I was leaving, they were doing the Pledge of Allegiance that might actually be written down, but it is also sort of a custom that we probably all are used to when we were growing up that they start the day with the Pledge of Allegiance. Next meeting, please. So in formal Boards, the procedures can be a little less -- I'm sorry, in small Boards, the procedures can be a little less formal. And so, for example, you can just raise your hand to speak rather than rising. That would, I think, be a little awkward with just the three of you [laughter] for us to speak. And then you also may remain seated while speaking. There is not a dais or a podium or a lectern for you to walk up to just speak. You may speak more than twice during debate. Subjects may be discussed informally. Again, these are just to allow greater flexibility. And then with the next slide, please. So the meeting basics you have your presiding officer that is the Chair. I understand one of your first orders of business when you get down to it, they will be selecting who is that Chair and who is the Vice Chair? I have got my notes for what the Chair does, but I realized it's actually in the draft procedure, so I will just read from the draft procedures. The responsibilities of the Chair provide leadership for the Board and preside over all Board meetings and provide strategic planning to help the Board comply with its statutory duties and responsibilities. There is more to it, but basically just got to run the meetings, gavel it in and gavel it out to adjourn. Make sure that there is a quorum

present. And what is the quorum? So for you, there are three members who must be present at the meetings. And so with certain bodies you don't want an unrepresentatively small number of them to make decisions for the body as a whole, so that is why you have to have a minimum number of members present to conduct business. So again, that is a simple majority or three of the members there. And then there will be an agenda required by the Open Public Meetings Act that would be published at least 24 hours in advance of the meeting. And so another one of the duties of the Chair is to work with HCA staff to get those and decide on what the agenda items are. And then minutes, which we have talked about, under Robert's Rules and the Open Public Meetings Act really just have to be a summary of significant inaction. And so it could be but doesn't have to be sort of the verbatim transcript. It just depends on, again, sort of what kind of custom that you develop. And so for the Open Public Meetings Act, those minutes, except executive sessions, are open for the public to look at. Next slide, please. Okay, so motions, debate, and voting. So business is conducted. Decisions are made by motions. And so it is in the draft bylaws where it says motions are to be done by Robert's Rules, so that is where we really get into the specifics of Robert's Rules of Order. So the motion of a member will make a motion. "I move to" or "I move that." So the example I am going to use is a motion to buy a new sign. So you can say something to the effect of, "I move that we buy a new sign." A member has to second it. So that is just if there is enough interest in the topic to move forward for debate and whatnot is sort of the purpose of having that second. Then after it is seconded, the Chair will then state the question. So that is when a member has proposed and seconded, and the Chair says, "It has been moved and seconded that we buy a new sign." Are you ready for the question, so that the Chair will not repeat the exact words of the motion, and that way everyone knows exactly what it is that we are talking about. And then debate. And then that is when the members will talk about their thoughts on it, but you want to have something that is relevant to the pending motion. And so I can say with public comment is not required during debate, but the Open Public Meetings Act requires the opportunity where the Board is taking final action to provide that public comment as that could be a written comment before the meeting and the beginning of the meeting. That is up to staff to decide against the custom and how that will be done. And then after the debate is concluded, the Chair will make sure that everyone who has discussed the motion has had an opportunity and we will put the motion to a vote. The Chair may say, "Is there any further discussion? Are you ready for the question?" And if everyone is ready, the Chair will then repeat the exact wording of the motion again. This is so that people know

exactly what it is that they are voting on. And then, for the Board policies and procedures, the voting will be done by roll call, and so that will require each person's name called in generally alphabetical order. And they will say affirmative or negative, and they might vote up or down. And I was happy to see that in the policies and procedures because another thing is no secret voting. So this has to be done in public, so the public has to know who voted for what. And so, if you just did a ballot, the public may not know, other than the final result, who voted what. So the roll call on the one that would serve the purpose of allowing public to know how each person voted on the topic. And then, finally, after the vote, the Chair will announce the results as far as if the motion was passed. The Ayes have it, the Nays have it, the motion has passed, or the motion has failed, and then we will move on to the next order of business. Next slide, please. There we are. Motion practice. Okay, so most of the Board's business will be done by the main motion. And so, again, that [indistinct] said that we are going to -- "I move that we buy a new sign." And then most other motions relate to that main motion. So Robert's Rules lists about 100 types of motions. We are going to discuss just those ones there. There are plenty of others that you may come across, but these would be a good start. And with the main motions, some of the things that you have to do as the Board is you are going to have to identify prescription drugs for which we will do affordability rule reviews. So that might be something that would be done by the main motion, or we will determine whether prescription drug is unaffordable, and so maybe the affordability to review that determination might be done by a main motion at some point for the Board may set upper payment limits. So that might be done by a main motion. What I am going to discuss next is actually sort of the motion to amend because -- and next slide, please. And so this is the most common of the secondary motions. Basically, if you approve of a motion, you should vote for it. If you disapprove of it, you can vote against it. But if you like the idea but want to change it, you can move to amend it. An amendment proposes to alter text by adding language, removing language, or some combination of the two. And before an amendment becomes part of the resolution or motion, the Board must agree on it. So this is the first one motion to amend. So next slide, please. So the inserting or adding text. So if you wanted to -- so if the words are placed -- you would insert words in the middle of something, and you would sort of add words at the end of something. And so here, this is a motion where you would say add because here it is, "I want to buy a new sign." But you want the motion to read that we buy a new sign not to exceed $50, so you would say -- I'm not sure if this is one word. I had the spacebar to do it. There it is. Okay, you would say, "I move to amend" by adding the phrase "not to exceed $50"

at the end of the motion. And so, yeah, with the insert or add edit text, generally it is obvious state where it was that the text should go. And next, sort of the subtracting or deleting of text and striking. So again, if you want -- if you don't think it matters whether the sign is new, you might say, "I move that we amend by striking the word "new." So this is something where it's sort of obvious where the change would go so you would not need to say that we strike the word "new" between and "a" and "sign" because it is just once there. The next slide is a combination of those two, which is striking and search. So if you think they should buy a new billBoard instead of a sign, you say, "I move that we strike the word "sign" and insert "door mobile billBoard." And for longer passages, it would be called "substitution." So if you wanted to say strike and delete an entire sentence or paragraph or strike and insert, you would rather say like, "I move that we substitute this language," and you would have it in the entire paragraph that you want to substitute for the entire paragraph. Okay, continued. The restrictions on the motions to amend. And so it's just got to be germane, and so that is where it has to be sort of relevant to what is being proposed by the main motion. It cannot defeat the main motion. So you can't say I want to change this motion by saying that we not buy a new sign. If you don't want to buy a new sign, you can just vote against the words. If you don't want to buy a sign or a billBoard, you can just vote against the motion, and you don't have to say I move that we not buy sign because that is not taking any action really. And then only two amendments can be on floor at one time. So you can have a motion, a motion to amend, and a motion to amend. But an amendment to an amendment to an amendment would be out of order. If you can imagine, it is difficult for me, I have just described a situation that would follow along the conversation that was going on [indistinct]. So the motion to amend goes to the same process as the main motion, which is that it is made and seconded. If that original motion was subject to debate, there would be debate. And the Chair would take the question and call it to a vote. And the effect of that amendment would not be to pass the original motion, it would be just to change the text of that original motion. So after the amendments are voted on, you would go back to that main motion in its original or amended form and then vote on debating the vote on that. Okay. Other secondary motions. So if you feel a discussion of the pending question should be delayed for urgent business, you can move a motion to lay on the table. "So I move that the resolution be laid on the table." "Point of order." So if you see a rule violation -- and this is sort of an exception to the one member speaking at a time and don't cut each other off -- but if this is something that needs to be like immediate action taken, you can call -- rise to a point of order again. And

since being informal, you don't actually have to rise to rise to that point of order, but you can make a point of order to call out a rule violation. And then, finally, the parliamentary inquiry. So if you have questions about these rules, you can ask your question of the Chair, who is actually the parliamentarian, and depending on whether he or she is familiar with the rules, she or he could then ask me as well to provide assistance. And next slide, please. So these other motions that I am talking about go back to sort of motions or questions that were already before the Board. And so you have something that is been laid on the table that you can just take from the table. And so if you want to receive consideration, "I move that we take the resolution relating to -- back to the table." The motion to reconsider is an opportunity if something has been voted down, you could bring it back with information that is calm that may make the Board favorable to changing their vote. Rescind or amend. That is again, you could not just amend something or resend something that is the main motion that you are voting on, but you can also go back and amend something that has already been done. So I have seen this with representatives of the PEBB Boards, so they amended their bylaws. So that is something they have had for many years, but they wanted to make a change to it, so they amended the bylaws through a motion for amend. Then the final one there is renew. That would be reconsideration. It actually has to have the same or a substitute continuing meeting where the initial motion was voted upon in subsequent meetings. If you want to bring something back before the Board, it would be a motion to review a motion. And next up, reports. So the enabling statute has you doing two reports annually, so the Board must annually report to the relevant committees of the legislation detailing the manufacturer's responses. I want to go back [indistinct] I quoted, but it's out of context. So that is the upper payment limits, Section 10. Okay. So for any upper payment limits set by the Board, the Board must notify the manufacturer of the drug, and the manufacturer must inform the Board if it is able to make the drug available for sale and [indistinct] the decision. The Board must annually report to the [indistinct] of the Legislature. That is one report. And then another one is an [indistinct] that annually reports all actions the Board has taken last year. And so, I think we will have to figure out how these reports are written and how they are voted upon, approved by the Board, but I was just going to say that if you are looking them over, one way you could do this, whether it is through the Chair or through custom or through a vote, you can just look at up paragraph by paragraph or sentence by sentence. It's a shorter report rather than voting the whole thing up or down having a series of amendments, you can just read through it paragraph by paragraph saying, yeah, we could do these with the

public if you want to have any changes. And so that would be reviewing the Latin word, seriatim, but you can move that the report being considered by paragraphs. And that process is going on and there is no disagreement that this text is going to be adopted by them. Or you can just say. "No. I move to consider as a [indistinct]." Next slide, please. Public comment. So public comment allows the public to inform the Board of their views on that as before the Board. The opportunity for oral or written comment must be provided at or before any meeting at which final action is taken. And so that is where your final action would be where you actually vote on something. And the Board is also encouraged to incorporate that public comment into their decision-making process. And then, if allowed, you are able to sort of control what is being done. So I noticed on the agenda that public comment has the time set for the public as well as three minutes per person. So those are two of the ways to control them. And another way is just to make sure it stays on the topic of something before the Board, so then the executive session. So let's see the next Board here. So part of a regular special meeting, there may be times where there is information that shouldn't be discussed in the public, and so this is sort of the statutory exception to having meetings within the public is an executive session. So it's not really defined, but it's commonly understood just to be that part of the meeting which is closed to the public. And to convene an executive session is so that it is limited to specific purposes that are listed in the Open Public Meetings Act. And when this Board was created, there was a subsection P added specific to what this Board's business sense, which is to consider proprietary or confidential data collected or analyzed pursuant to Chapter RCW 70.405, and that is your statute. And then additionally, if there happened to be legal actions, you can also meet with your legal counsel in those meetings to discuss potential or actual regulatory of medications. And so to do it, the Chair will have to specify. And before going into Executive Session, the Chair will specify the reason for going into the Executive Session. The Chair will have to announce when you will return from the executive session. And if you happen to go over your length, which is allowed, you have to then return at that specified time. So we said we were going to return at 11:30, and you weren't going to finish by 11:30, you have got to go back to the public meeting, gavel in, say, "Hey, public, we are going to be another half hour," and gavel back out and reconvene the executive session. And part of that is just to make sure that the public is able to participate and observe. And so with this you would have an obligation to keep confidential what is discussed during that executive session. And that actually goes down to -- and I don't want to steal from Catherine's presentation -- but the Public Records Act you may not want to

do notes during that because those could be public records subject to the Public Records Act if you are taking notes during that meeting -- Catherine can tell you about that -- so that would sort of defeat the purpose of keeping things confidential. And then no voting. We talked about no secret voting. It's also sort of the -- or although there will be a quorum of you present, we would avoid coming to any sort of final decisions on anything that is coming before the Board that has to be done in the open session with the public present. And then this is my last slide, so if there are any questions, I can take them now. As I mentioned, I am your legal counsel signing up to be at all of these meetings, so ask them as they come up. So yeah, thank you. soon as they come on, thank you.

Mike Neuenschwander: Any questions on Robert's Rules? [Audio cuts out] here, so you can ask now, or you can ask later.

Douglas Barthold: This is Douglas Barthold. Just asking about you as our legal counsel, is that to advise on anything that the legality of something we are proposing to do? Or is it something about the potential liability to the Board or others have something unprecedented to do, is that all of the above?

Michael Tunick: Yeah. I would say all of the above. So I'm not like your individual counsel, but yeah. Like if the HCA staff or the Board has some question about exactly of Medicare Part D, or I guess it was when we said IRA. It was the third acronym that I went to before I got to the Inflation Reduction Act. [laughter] [cross-talk] So I can tell you that I am not that familiar with it. So yeah. But that is the sort of question that would be -- people at HCA know their stuff, but that is also squarely within the type of question that I should be able to answer.

Douglas Barthold: Thanks. Yes.

Hung Truong: I am Hung Truong. How do you call an executive session?

Michael Tunick: Okay. So first off, it should be on the agenda. But yes, so the Chair will announce at the specified time in the agenda, like, now we are going to go into executive session, and the purpose of the executive session is -- now I am going to go back to my notes to see if I can [indistinct] from the PEBB and SEB Board meetings the [indistinct] has or him or her. So that is stated permissive in front of them because they will actually just read generally verbatim what is in the statute, which would be "we are going into executive session to consider proprietary or confidential data collected or as analyzed

per signature Chapter 70.405 RCW. We will return to the public meeting at 12:30."

Hung Truong: So I thought we were talking about the agenda.

Michael Tunick: Yeah. Yeah.

Hung Truong: Okay. I thought it would be a question.

Michael Tunick: Yeah.

Hung Truong: Okay.

Michael Tunick: So it doesn't have to be, but it should be. Generally, I think that, yes, there could be situations where you might want to call it sort of ad hoc. Again, it should be on the agenda. It will be on the agenda. If it is not, though, you can call it without it being on the agenda in those cases, but you still have the procedure of sort of announcing the purpose of it at when the regular meeting or [indistinct] the open public meeting.

Hung Truong: Thank you.

Mike Neuenschwander: Other questions? Okay. All right. This is Mike Neuenschwander. Thank you very much, Michael, for your presentation. And I guess we will move on to the next one. Who is up next?

Catherine Taliaferro: I am up next.

Mike Neuenschwander: Wonderful.

Catherine Taliaferro: Good morning. My name is Catherine Taliaferro, and I am the records officer for the Health Care Authority. In my role here at HCA, I am responsible for administering the agency's public records programs, which includes records retention, litigation discovery, as well as disclosure. Next slide, please. So today, I am going to discuss with all of you what a public record is and how to preserve those public records as well as how we disclose those public records. A public record is defined in statute to include any writing that is relating to the conduct of government that is prepared, owned, used, or retained by any state or local agency. Now, when I first started with public records and public records governance, this was about 25 years ago, and

typically, when you thought about a public record, you would think of a paper document. We had a lot of paper files. We got requests. It was the paper documents. With technology changing and all those advancements, that is no longer true. Most records are now retained electronically, and then there are a lot more different types of record types that we are now creating to do state business. For instance, this is inclusive of text messages, chat messages, voicemails, video and audio recordings. It also can be as simple as even a sticky note. So it includes electronic records as well as paper records, any writing that regardless of the heuristics or the format of that. So now that we have talked about what a public record is, let's move on to preservation of public records. All public records are the property of the State of Washington. They are owned by the State of Washington, and as such, we are required to retain them until they have met their approved retention period. So retention periods and guidance about records retention comes to us from the Secretary of State's office. The Secretary of State's office on their website has retention schedules which set out the requirements that you must follow and for the different time periods associated with each record. There are two different types of records retention schedules. There is the State General Records Retention Schedule, and within the state general records retention schedule, which is where you would find record types that are generated by all state agencies. So for instance, one common one would be personnel files. Most state agencies, if not all, have personnel files. That is why that record series would be under the state general schedule. That is where you will find that information. Now, every agency also has their own unique agency-specific schedule, and in those schedules, you would find record series applicable to the work of that specific agency. Another great example would be here at HCA, we administer Medicaid benefits. And so in our unique schedule, you would find record series related to some of those types of records that we create here at HCA, whereas L&I is not creating those same records, so that is not a record series for them to use. So now that I talked about retention schedules records here, I wanted to actually show you a couple of them and what they look like. Up there on the screen, today, I have the record series applicable to the actions, records documenting actions, decisions, and membership of state agency Boards. In the first column of a record series, it has the disposition authority number. We also refer to those as DAN numbers. Now that number is only used for tracking purposes and archiving purposes. The second column is where you can locate the description of records. When you look under there, not only does it provide a brief description of the types of records that the series covers, but it also provides some examples. So this specific record series, like I said, applies to the

records documenting the actions of Board meetings, and you can see some of those examples as agendas. They have the minutes. It would include any of these audio/video recordings. The third column tells you exactly how long you need to retain those records and the action that is needed in order to disposition them. In this case, it's retained for six years after the calendar year, and then the official records of this meeting would be transferred over to the State Archives for permanent retention. The fourth column is the designation. Now this is also used for archiving purposes. So just like the first column, the fourth column is probably not something that you will be using. What you will be using is definitely paying attention to those descriptions of records so you can make sure the series applies and then how we disposition them. On the next slide, I have the record series that applies to members copies. So these would be copies that you have of the agenda of the briefing books, meeting minutes, the packets, these packets that are prepared for you for each meeting. Now, those are your own individual meeting materials as long as they are only used for your own purposes of tracking the meeting. The disposition on that and the retention period is you can retain those until they are no longer needed for agency business, and then they can be destroyed. Just remember that only applies to your personal copy that you are using as a reference material. If you were to take notes on these or discuss official business somehow on your member copy, then that may change that retention. So please keep that in mind. So now I am going to move on to email correspondence. This is what I normally get lots of questions about because we use email for most of our correspondence. I often get asked, well, what is just the retention schedule for an email? Well, like with all public records, it's not based on the fact that it's just an email and the record type, it depends on the content within that email. For the Board's emails, they will all be retained within HCAs Enterprise email management system, and you guys will all be receiving some additional instructions on how that will -- the process for that. So let's now move on to the Public Records Act. This is how we set -- the Public Records Act sets the guidelines we must follow when we disclose public records. It was voted into law back in 1972, so it has been around for quite a while. It is often referred to as a transparency law or as a Sunshine Law. I have also often heard, "it's meant to shine a light on the operations of government." The more transparent we can be in those operations, the more confidence we can build with the citizens of Washington State. So when we are in receipt of a request, the Public Records Act requires us to provide timely responses. The initial response must be done within five business days. Now, by response, I don't mean that we have to provide all records within five business days, but we at

least have to respond to the requester and either provide all the records if they are available, or we can deny the request if the requester is not authorized to receive those records. We can also seek clarification of the request. If we receive a request for public records that is not clear, within those five days we may respond with a clarifying question to assist the requester and figure out what it is that they want. Lastly, if we do not have the records, and we are denying or asking questions about the scope of the request, we can provide to the requester and acknowledgement letter which lets them know that we have received the request and how long it will take the agency to provide the next response. Like I said, there are many different options for what we can do in that initial response to the requester, but something must be done. We do have to respond within five business days. Agencies also must perform a reasonable search and response to these requests. For email records, as I said, those will be of the Board, will be retained in HCA's email system. So my team and I would do a thorough search of all emails. We have the tools, our eDiscovery tools, we would do that. But there could be some other records that maybe we will need to come to you and ask you to turn over. They are responsible to provide any responsive records that may be responsive to that request. And when withholding our record, like I mentioned earlier about denying a record, there must be a statute or an exemption that is just authorized in law or some other court order to allow us to withhold those records. Public records are presumed to be open unless there is that law. I will say for this Board there are specific statutes that apply to some of the data that you will be reviewing and maybe some information that you will be receiving. For the rest of the documents created a lot of this will be posted online -- the agenda, the meeting packets, and minutes -- so I don't foresee a ton of public records requests because typically it would be for some of those types of documents, and in those cases, we are hopeful that people will be able to receive those online. So enforcement and penalties. The Public Records Act is enforced by the courts. If a requester feels that an Agency has violated the Public Records Act, they can take us to court. The court can impose statutory penalties and other related costs including the requesters attorney fees. I have seen some of these cases result in penalties over $100,000 being set on the agency. They can be very expensive and very costly. Some people believe that maybe we have a fund -- tort fund or some other fund that we use to pay out Public Records Act fines, but we do not. This comes out of agency programs and agency costs, which then can have an effect on how we are able to run some of our programs. To avoid this it is very important that we are preserving those records appropriately, that we are being responsive to requests, and

making sure that we are meeting our obligations under these rules. Thank you for giving me this opportunity to talk with all of you about this. Are there any questions? It sounds like I am hearing none, but don't worry. I am always available. You will receive my contact information. Like I said, Board members will be receiving some specific instructions just about the email archiving process and some of the other types of commonly used records including some record series. But [cross-talk] --

Donna Sullivan: Catherine, this is Donna. So I just have a clarifying question. If we write down notes on our packet that is in front of us, does that become a public record that needs to be retained or needs to be submitted if we get a records disclosure request?

Catherine Taliaferro: So yes. If you were to write down notes on one of your members' copies, it could change that record retention period. I don't want to say -- I mean, it would depend on the content of the notes. If you just wrote your name on it and you wrote the date, something like that, no. That would probably not change it. But depending on whatever notes that you write, if you write notes that are not captured in other places that relate to the official business of the Board on those copies, then yes, that would change the retention of that record. Does that answer your question, Donna?

Donna Sullivan: I think so. And so then that would be a record that we would have to keep for potentially six years and then turn it over if there was a request for records?

Catherine Taliaferro: Yes. Like I said, it definitely depends on the content because records retention is about the content of each record, so it would be the content of those notes that would officially decide that. But it definitely could change the retention.

Donna Sullivan: And what if we just keep our own notes maybe on like a separate note pad? What about those?

Catherine Taliaferro: Those notes are also responsive as a public record.

Donna Sullivan: Okay, thank you.

Catherine Taliaferro: So depending on the content of those notes and what it is that you are writing, they could have a longer retention period. Are there any other questions? Oh.

Michael Tunick: Sorry, it's not for you Catherine. So MaryAnne, I know you worked at the Health Care Authority, so you are somewhat familiar with this, [cross-talk]. And then, professor Barthold, you work at UW, so I don't know how much this comes into your daily or how much this comes into your life because it is a publication sea for which there would be records, but I don't know how much it affects you, so I am just curious.

Douglas Barthold: Yeah, this is Doug Barthold. It has never affected me.

Michael Tunick: Yeah.

Douglas Barthold: Also I have heard it affecting our Dean, I think, at times. That is my boss's boss's boss. So it has not affected my [cross-talk] --

Michael Tunick: Yeah. Okay. You asked him. And then I thought you mentioned your background as just being some in the private sector, so I am guessing this is somewhat new to you.

Hung Truong: Hung Truong, not at all with many secrets. [laughter]

Michael Tunick: Yeah. And then a bit before when he goes I just wanted to -- I should have had my own enforcement and penalties slide for the OPMA, which is basically -- the big bummer if you don't follow and if you take action and you violate the act is that the action can be voided -- become null and void, and so you are going to be doing some very important things here, and it would be a shame if we didn't do things in the public and, consequently, it is the action reports work you do. It's accordable, so if we avoid it. And then I think much less likely, but the other effects are that the Health Care Authority would be responsible -- might be responsible for attorney's fees, which aren't going to have the sort of same daily responses that Catherine talked about or daily accumulation. But then, again, I think that there is that potential of individual member liability if you knowingly do these violations. So I don't want to scare you with that, but that is also up there, $500 for the first violation and $1000 for each subsequent violation again. That is if you know that you are doing the violation. It can't just be an accident or [cross-talk] --

Douglas Barthold: [Cross-talk] a violation [indistinct] This is Douglas Barthold. The violation is to destroy or not retain those [Cross-talk]

Michael Tunick: Oh okay. I am talking about the Open Public Meetings Act. So sorry, yeah. That I am not sure about. [Cross-talk] Yeah, So with me, it's if you guys during an executive session just do what should be in the public and so set your upper payment limits, which could be avoided. And if you sort of did that every time, the corporate would probably think that this was an intentional, not an incidental. And then at that point, you could be assessed in an individual penalty. So the bigger picture is that instead of the important work we are doing could be just done because it wasn't done in public, but that there was also sorts of -- just want you also just sort of to be aware of that. And again, this is under the Open Public Meetings Act. I should have had an enforcement penalty slide as well. It's in the online training. Thank you. Thank you for having that slide, and sorry for not completing my presentation earlier.

Catherine Taliaferro: I asked for questions. I didn't think I would get them from you, Michael. [laughter] But yes, that is correct to answer your question. It would be failure to disclose or follow those provisions in the Public Records Act that result in the penalties I was talking about.

Mike Neuenschwander: Okay, so I think next up, we have Wendy.

Wendy Barcus: Thank you. My name is Wendy Barcus. And I have worked for the Medicaid portion of the Health Care Authority, and prior to that the Department of Social Health Services. I am moving into my 33rd year. I have a little bit of passion for the rulemaking process, so this is a very high level look at the rulemaking process, the part of what I would call the standard rulemaking portion. There are multiple ways to do rulemaking. Most state agencies are following standard rulemaking process, and there would be other reasons for other types of rulemaking. But next slide, please. You are going to see these black and white, gray and white, if you will, slides. These are the portions of the Administrative Procedures Act, which all state agencies have to follow. And that is why they are taken out of the fun green and blue slides of the Health Care Authority, and I am letting you know this is the serious stuff that we follow. The reasons why we follow them are set in statute, which we need to follow. Specifically, rulemaking falls under Part III of the Administrative Procedures Act under RCW 34.05. This was enacted back in 1988. Next slide, please. So here is our HCA slide in the green and the blue. So how does rulemaking start? And most say, government, you would contact the office within the state agency that does the rulemaking, whatever that looks like, and within that Health Care Authority, we have an office called the Office of

Rules Publications, which handles almost all of HCA's rulemaking, with the exception of PEBB and SEBB. They have their own unit for rulemaking. But ultimately, the public hearings filed through my office, and I conduct public hearings on that. So then, if it's decided that a rulemaking is necessary if the staff in my office or your rulemaking and for any of the other Medicaid in general, we are making for the Health Care Authority would come through us in our office so that we can ensure that you get the rules through the process in compliance with the APA. So within a standard rulemaking process, they are not really steps. There are three official filings. I put steps up there, which makes it sound very, very, very simple. It's not simple. There is a lot involved in required then rulemaking within all state agencies, but all state agencies do follow the APA process -- at least they should -- and these are the steps to getting the rule officially through the process. And I will go through each one of these steps briefly with you remaining in the following screens. So a CR 101 is a single form. It is owned by the Code Reviser Office of Washington State, and all state agencies use this form to file rulemaking. It is the start of the official rulemaking process. It is a notice of the intent of the agency to the public of a potential rulemaking. It may be as detailed as you want to fill it out or as general as saying that you are opening a chapter to revise the chapter. Usually you would open a chapter because you have information or specific information you need changed. So normally, you would ask in our agency that you be as detailed as you can without the -- you don't have a text drafted yet, so it's just an idea. We need to open up the Prescription Drug Affordability Board rules because we know that we need to make a change. Nothing about this filing has an expiration on it and, again, no taxes included. So reviewing drafts. This is the portion of the Administrative Procedures Act where state agencies have a little bit of wiggle room. They don't dictate how you are going to go through drafting and sending out your reviews, who needs to look at those reviews, who needs to approve those reviews, but it does eventually state in there that you need to include your interested stakeholders, and there are ways to do that. So in the agency here, we do have an internal review process that we go through, which sends it to the decision makers and the approvers within the agency. Once that is done after the drafting is done and the internal review is done, we get an approval to then release that draft to the public, which in our office we call it the external review at DSHS. They call it the same thing. External review means now you are bringing in your interested stakeholders. So how do you know your interested stakeholders are? Our interested stakeholders are anyone who -- and I will get to that in a later screen -- has signed up to be an interested party of that chapter. So for your rulemaking Chapter 18252 -- I believe that

is your number, 52? We have a GovDelivery sign up, and so on there any notifications that happen with rulemaking within this agency for that chapter, you will receive notification if we start anything with it. Then once the CR101 is filed, anyone that reads that that has an interest to look at early on drafts, which is the external review, would be on a separate list, and we would include you on that list and send it out. Once the review has gone out and everyone has submitted comments who wants to, the agency will then review those comments, decide if there are changes that need to be made to the draft, make those changes to the draft, and then come up with another draft, which is going to be ready for public hearing. We do use, and all state government uses the Code Revisers office for that. We have to, so they will type up the official draft and send it back to us. So once that draft is filed for the public hearing and there is a schedule at the Code Revisers office has, if you meet a specific date by noon of each month, you will then be able to hold a public hearing approximately a month plus later. So those dates are all scheduled out for us in our Rules office and are republished every year, so we have those. The Code Reviser's office sends out two Washington State register notices a month, so there is 24 a year, and that is why we filed so then that gets out on to the Code Revisers website and eventually up onto the website. Thank you. So once the public hearing is scheduled, when I file that I review it, and I file the proposed documents that have been approved, the public hearing that we make sure that we send out notification to the public of those public hearings. We do notifications as often as we do filing, so when we file for a particular Washington State Register each month, when the register closes, we then have a GovDelivery message that goes out informing the public of all of the rulemaking within what I consider the general rulemaking area and then also within the Medicaid PEBB and SEBB do their own mailings within our agency, so I just wanted to make sure I didn't say all HCA rulemaking is on that list. Once that notification goes out, the public hearing is set. Date and times will be on that CR 102 filing. It gets stamped by the Code Reviser's office, issued a number, and sent back to us. That is part of this mailing. So next screen, please. Public hearing. I kind of went over that. There are two a month. If there are rules that get placed on a docket, sometimes we don't have something for a docket in one of the public hearings, and so we will cancel the public hearing. We do have a dedicated email box for all written comments that come in so that we can track those separately that they don't get lost within some huge inbox that I have or anyone else in the agency has of emails that we are trying to navigate through, so it is a dedicated email box. I do conduct the public hearings for all rulemaking within the Health Care Authority. They are done now by Zoom

virtually, which allows anyone from across the state to register for that Zoom meeting and participate and provide comments if they are interested, and I think that is a huge benefit. If you were to say we had any benefits from COVID going technology-wise and electronic has really catapulted us into that arena that we were not in before. Registration is required so that we can capture that so that it is a part of our official rulemaking folder and file of who attended. Anyone can register, attend, and also provide written comments. So we always say all written comments that you send, that anyone sends into us are just as effective as being present and testifying in person. Then all of our public hearings are recorded and transcribed. So then after the public hearing, the workgroup that is responsible for the rules will capture -- will be given the comments. They are transcribed. They will be given a copy of the transcription. Any comments that come in, the workgroup gets those. They get to review them again, decide if there are any changes that need to be made to that rule after that public hearing has commenced. The changes will then be typed up and sent back to the Code Reviser's office for more typing, and then here is where a concise explanatory statement is super important and is actually required in RCW, that the agency capture every comment and then what the agency has planned to do with those comments, whether we change the tax and, if so, what was the change that you made, and then if you couldn't accept those comments the reason why. So every rulemaking that goes through this agency that has comments that come in is required to have a CES with it. And then anyone who requests a copy or who has submitted comments will receive a copy of that after that is completed and done. So one more thing, if there are substantial changes -- so substantial, that is defined in the APA. You have to read what that is. It basically means you can go back and do a second public hearing no matter what, but you are not required to unless there are substantial changes made. Substantial in that the changes that have been made would affect the people that they have to be applied to or have to apply those rules to the extent that what was proposed at the first hearing is so substantially different than what you are then planning to file, you should go back to a second hearing so that people have a chance and opportunity to comment on the new rules. If they weren't substantial, then we can proceed to filing through the CR103P, which is the permanent one. You can change it to the next screen for me. Thank you. So this is the final product -- the final portion of standard rulemaking process in RCW 34.05.360. It is yet another form we fill out, CR103P. It does itemize out if there were any changes made as a result of the public hearing and what those were. We insert a table into this form because it is now -- you can now insert tables to track that. And then it presents the final draft when the final

language has been completed from the Code Reviser's office. So then this sets the final rules in play. Final rules can be effective 31 days from the filing date that we stamp on here or a date beyond that. It can't go for less than 31 days. So all of this at best takes about six months. So you have to remember that. When you want to change something in a rule, give yourself at least six months. And then if you got comment periods, there is extra time that you have to add into that. If there are a lot of comments that come in, you need to navigate through those comments. And then you go to the next screen. So the final stretch. I think we have already filed for these 31 days. We always inform the public again through that GovDelivery notice that goes out twice a month of what the rule filings have been. And if you have signed up for any of those chapters that are on the GovDelivery, you should be getting those by email in your inbox the notifications. Also, our webpage is always up to date. Probably the fastest way to see what is going on is to go to our web page because it is up pretty quick after we do filings. Next. Okay. And then also my office is responsible for the official rulemaking files for the agency. So we do keep those electronically now. That is a requirement in the RCW. We also manage the HCA rulemaking webpages, which is also a requirement in the RCW, and it is required to be front and center on every state agency's webpage on their first page. So you should be able to find a rulemaking hyperlink on the first page of every state agency. It doesn't matter where it is, but it has to be there. Ours is at the bottom of our web page. And then also once -- twice a year, I have to file a semi-annual rulemaking agenda for the agency. What is required in that is the forward six-month look of the agency. What is the agency planning to do for rulemaking? If they know it, they are not going to know everything. Things come along as things pop up. But if you are in the midst of rulemaking or you know that there is rulemaking coming, you can find that on our Rules page as well. I have placed that on there twice a month. And so we go through the agency, and we find out what everybody is working on or what they think might be coming, and we try to be as open and transparent about what we are working on as an agency for the public. And again, there is wiggle room. Things come along we have placed in, but with a six-month time span you should see that in the next time semi-annual rulemaking agenda, so there should never be something that slips through without the public knowing about it. That is my presentation. Are there any questions today? Yes, MaryAnne.

MaryAnne Lindeblad: Question. So when you are still in the CR 102 and it hasn't gone to the public hearing yet, do you have the ability to provide comments on your [indistinct] and provide written comments?

Wendy Barcus: Yes.

MaryAnne Lindeblad: Are those written comments available to the public?

Wendy Barcus: They will be if they are requested. They have to go through a public records request to get them, and then I would send that to Catherine, [cross-talk] then she would request. Absolutely.

Mike Neuenschwander: And those written comments are from the external review, correct?

Wendy Barcus: External review is different than a CR 102 public hearing comment. But again, since they are external and they are a public record, that request would go through Catherine's office, and they would also be -- could be released. Yeah. Any other questions? Thank you.

Mike Neuenschwander: Actually I might have a couple of questions for you.

Wendy Barcus: Yeah, sure.

Mike Neuenschwander: So one thing I was going to ask was the timeline. You mentioned about six months. We were going through this rulemaking process earlier this year. I don't know, maybe seven to eight months might be a little more.

Wendy Barcus: When you create brand new roles, you bring up a brand new program. Definitely going to have a lot longer of a process. It also depends on interest. When you have a large interest, this is a big subject, and so you will probably be getting quite a few comments on that, anything to do with prescription drugs, I would imagine.

Mike Neuenschwander: Okay. And then also -- this is Mike Neuenschwander. In terms of public hearing, I believe ours is scheduled for November 21st if I am not mistaken.

Wendy Barcus: Yes.

Mike Neuenschwander: And just maybe a little bit more on how -- just to explain how that works. You know, people can comment. They can ask questions, but those questions won't be answered directly in that hearing. Correct?

Wendy Barcus: That is correct. We do have program staff in the room for our public hearings to listen to be able to hear what is being asked. That is all being transcribed after the hearing, and they are in the room after the public hearing is closed if you have questions or would like to meet and greet with them. But they may not be able to answer your questions in the room after public hearing without having to go back to their larger workgroup to confer to make sure that the questions, your questions are answered successfully and correctly.

Mike Neuenschwander: Then you mentioned that people can write or comment. Is there a limit in terms of how the time limits for the comments or the questions or page limits in terms of the writing?

Wendy Barcus: Very good questions. This is when you Wendy Barcus again. I forget to keep saying that. Sorry. Well, we do have a two-hour time limit to our public hearing. We do have other rules that will be on the docket, perhaps, that day. I think I have another one that day. So we try to ask the public to limit their comments. Be brief but definitely get your point across and let us know what it is that you are there for and would like to testify on. We also strongly suggest that you follow up your comments with your written documents and comments if you would like. It makes it easier. We are also still recording. But no, we don't. We haven't had to limit yet what someone would like to testify on, but again, knowing that there is a two-hour time limit, that would be something that I have the authority to say that we need to, though I can update the time limits of where we are at with our time limits on the public hearing.

Mike Neuenschwander: Okay. And then this is Mike again. Just one more thing. So you were talking about substantial changes if we were to adhere to the some of the comments, and it is going to affect the program and how that is administered. With that, because I know we went through a pretty extensive internal and external review process that took quite a while, would those internal process reviews need to happen again? Or can you just make the edits and do the other public hearing and continue forward?

Wendy Barcus: So the full internal review process is not required again. That is an HCA process. It's not dictated in the APA. But you, as a program, know who you have to have that approved. Any changes to your rule, you would know your applying approval process for that. But, no, you are not required to go back to the beginning based on comments that you received. If they are substantial,

you do have to refile another public hearing to allow the public to have an opportunity to review and comment.

Mike Neuenschwander: Okay, great.

Wendy Barcus: I don't know if I answered your question either about How do you submit comments? The public hearing is filed. It should be up on our website already. And so the notification went out, I believe, yesterday. And the comment you can submit. The information is in the CR 102 of how you send it in by email your comments and/or where to attend. We are not doing it in person. I almost went down that wrong path. How you can attend, how you can register for Zoom and participate in the public hearing online.

Hung Truong: Hung Truong.

Wendy Barcus: Yes.

Hung Truong: Those comments, how does it get back to the Board? Is it something if there are comments that may affect the rule?

Wendy Barcus: Sure.

Hung Truong: Because I am assuming the Board is the advisory group to make recommendations.

Wendy Barcus: Sure. Sure. I am going to look to Mike. I am going to assume that -- in my office, you have an assigned rule writer. So right now you have Valerie [cross-talk], who is your rule writer. So those comments when they come in through that dedicated email box that I have access to, I would send those to the writer. The writer would then work with the originator, most likely Mike, I would assume, and then I am sure that Mike will have a process to get those to your HCA email addresses [cross-talk] --

Mike Neuenschwander: [Cross-talk] Yeah.

Wendy Barcus: -- to review.

Mike Neuenschwander: All right.

Wendy Barcus: Good question.

Mike Neuenschwander: Other questions, comments? Okay.

Wendy Barcus: Thank you for your time. Appreciate it.

Mike Neuenschwander: Great. Well, so that is -- we are a little bit ahead of schedule. We are being very efficient and expeditious here today, so that is good. Hopefully, a good indication of things to come as we move forward with our Board meetings. So with that, I guess we can, Nonye, break for lunch a little bit early?

Nonye Connor: We can break for lunch.

Mike Neuenschwander: Okay. And then I guess one thing, too, I would say, better write it down. For the Board members, we do have -- we are going to have lunch for you. Because we are a little early, it still might not be quite ready yet, but there is going to be a room over here to the side, the Kiwi room. I think it's just out here, where you can sit and relax. And then just a reminder, especially since we have had our open public meeting and training, please do not discuss business while you are at lunch. [laughter]. So it's our first practice session, and then maybe we can just so we can maybe stick a little bit closer to the schedule starting in 12:45, Nonye? What do you think? Take a little bit longer lunch? Does that sound okay? Okay. Great. Ready? Break.

[break]

Mike Neuenschwander: Great. Well, thank you, everyone. Welcome back. Hope you had a good lunch. So we will continue on with the last part of our agenda here for today, I am thinking we have been moving through things pretty quickly, so if we continue at the pace we are, we might be able to end a little bit early today, which will be good. So, first, we will -- this next section we are going to talk a little bit about the rules and the policies and just do a very brief overview. So earlier we talked about with Evan, the law, which is kind of the basis for what we are doing here and what really started this program and got this program stood up. From that I discussed we have the Washington Administrative Code or rules, as we generally call them, and because the Board is just newly appointed, and we were starting to get the program up and running already, the Health Care Authority has worked on that first set of rules. That has gone through the approval process thus far, and then we will be coming up for the public hearing here on November 21st, I believe, if I am not mistaken. Yes, 21st. And so these draft rules pertain generally to the operations of the

Board, and they are a little bit more high-level in terms of as I discussed before the what, whereas the policies are going to be more the how we get things done. And then, for this meeting, I am not going to go through and read 40-some-odd pages of rules as much fun as that might sound. Instead, I am just going to go over a very general high-level overview of these and just the sections, and then the Board, my idea is that in between this section -- or this meeting and the next, take a look at those rules a little bit more in depth. If you have any questions or comments, we can make that a discussion point during our next meeting, and we can answer a little bit more about that. Additionally, with rules, as we also mentioned before, we have not set the rules for the upper payment limits or the cost savings yet. That is going to be at a future date. First, we need to develop the methodologies behind that and discuss that a little bit more in depth and in detail. So that is going to be a project for a future year. And then with the track that we have rules on for right now, they are going to be basically done with all of the internal and administrative reviews by the start of the year. But again, they will not come into effect until 90 days after the next legislative session, which will end this spring. So they are still a little way out before those are fully into effect. And then if we want to or need to, then of course, next spring/summer, we can start looking at amending any of the rules and/or possibly start taking a look if we have the methodologies on the upper payment limits or cost savings rules as well, but I am foreseeing that it's probably going to be a little bit further down the road. So generally speaking when we look at these rules, the first part really goes into the definitions. That is going to be I think a very important part for the Board is clearly defining our using terms to make sure that we are able to use those to the best of our abilities to make sure that we are able to run the program well, especially with drugs and the rules and the supply chains and everything surrounding them being so complicated, I think very clear definitions are going to be a key and important part of this. The next part goes down and talks a little bit more around the administrative aspects around attendance and voting and things like that. So that is not too controversial or difficult. I think following that is the administration around the advisory groups. This is going to be an area where -- especially in terms of our policies -- is going to take a lot more work and discussion, as we are trying to figure out exactly how we want those advisory groups to be organized, how we want them to work with the Board, how we are going to be sharing information with them or they are sharing information with us, etc. So the advisory groups were a key part of the legislation in making sure that we are able to get additional feedback and information. But it is, I think, going to be one of those spots where we are going to have to think about that

a little more in detail on exactly how that is all going to work. Additionally, the next section is talking more about the rules around the drug reviews. And so when we are looking at the legislation, it has some sections that say these are the things that we shall review when we are doing a drug review, and then it has the stuff that talks about we may review with the drug review. And so I think especially as we start getting into the methodologies of how we are creating these drug reports and trying to figure out -- where can we find this data? Does this data even exist? How can we use this data to make decisions? This will be something once we develop our methodologies a little bit more, then we can kind of flesh out our policies and perhaps our rules surrounding that. Following going down the list, we also discussed data confidentiality. The pharmaceutical industry is going to be a key partner of ours as well in terms of gathering important and needed data. This is going to be a very data-driven effort. And so we discussed that as well and the roles, and then below that discussing the actual how we gather data from manufacturers and the fines related to non-compliance, and the legislation that discussed both of those. And we used some other rules from other similar groups to help guide us as we were putting this together for the rules. So that is just a very, again, high-level overview. One of the things that hopefully in the next two months as homework take a look at those in more detail, come up with questions, comments, and we can discuss those more in depth at our next Board meeting. So general questions, comments on the rules? I know we discussed the process and how they are made. I am sure by the time we do a few more iterations of the rules and add these other parts of the payment limits and cost savings, we will all become rules experts. Okay. If there are no further questions, then I will go and chat a little bit about the policies. So, again, don't want to go through and just read dozens of pages of policies. I will leave that to do on the nights when you are having a hard time getting to sleep. But generally speaking, and again, as I mentioned before, the goal of the policies is to be more flexible and easier to change than the rules. The policies are something that we can do just here amongst ourselves in the Board to approve or edit or change. And so, also, they are going to be more of our guide of how we do things in the weeds and the details of the processes of how we want to get things done. So sections 1 and 2 generally discuss just ou4 authority, the purpose, the definitions, and more definitions for the Board. Section 3 reviews more of the Board administrative aspects, such as term lengths, how the Board is organized, how many should be run, conflicts of interest, and public interactions. Most of this stuff, again, we have been looking at other similar entities to help guide our efforts in drafting these. I will not say that they are comprehensive. I mean, there is lots of stuff. As we

go through, if you see something that is missing or that could be -- we want to add or change. Again, I think this will be a big part of our next meeting, discussing this more in depth. In section 4, talking about more the HCA rules and responsibilities and how we are going to be working with the Board. And then following that, again, discussion on the advisory groups, the administration around them and their roles. This one I think we are definitely going to want to take a lot more look at. And then section 6 talks more about the affordability reviews themselves. I feel as we start doing the methodologies, these sections around the affordability reviews, we will get a lot more fleshed out. And then the last part is talking about [indistinct]. So again, I think at our December meeting this will probably take up a decent chunk of the time in discussing these. So again, come prepared with comments, feedback, suggestions, and then we can fine tune these. And one other thing, too, is I look at these policies as much more of like a living document. So if there are things that are -- we get through and are like, oh, this just is not working, let's just pound out some time out of one of our meetings and change it so it works, right? I am not looking at any of these as like firmly binding. This is how we are going to do it forever and henceforth moving forward. Let's figure out the best way to lead that works for us and then adjust the policies to do that as well. So questions on the overall policies? No? Okay.

Douglas Barthold: This is Doug Barthold. So just to be clear, we are going to be going through this in detail at the next meeting?

Mike Neuenschwander: Yes.

Douglas Barthold: The policy section and the written list?

Mike Neuenschwander: Yeah. So the WAC has to go through obviously a much more formal process, so the WAC we are not going to be changing. Right? It has been six months in the process. It kind of is what it is.

Douglas Barthold: Sorry, WAC?

Mike Neuenschwander: Uh, the rules.

Multiple Speakers: Washington Administrative Code.

Mike Neuenschwander: Yeah, sorry. [cross-talk] [laughter.

Douglas Barthold: Mostly acquisition costs.

Mike Neuenschwander: Yeah. [Cross-talk] --

Multiple Speakers: [Cross-talk] Yeah, yeah, yeah. [cross-talk]

Douglas Barthold: Sorry. [cross-talk]

Mike Neuenschwander: The other one. But yes, so the rule is more like let's talk about it in the comments for things that we might want to do in the future or questions that we have. But yeah, the policies are going to be much more how we want to change this and make it for us to work now will be important. Okay? And then this is Mike Neuenschwander again. The last thing I will mention on this section is the annual report. I know we discussed that I think -- Michael, were you talking about the annual reports during your presentation a little bit?

Michael Tunick: I did touch upon that, yes.

Mike Neuenschwander: So the one annual report in particular I am addressing here is the one that is going to be due every December, December 15th. It is basically a write up of what the Board has been doing for the year, the actions that we have taken. Obviously, you are brand new, but we have worked on this first draft that is due December 15th for you, and it is currently in the approval process. The report itself at this point is not anything super grand or extensive, as it just more details of the work that we have been doing in terms of drafting policies, drafting these first rules, trying to work to get the Board appointed, trying to work on developing data for this first drug list. So it's a pretty concise and succinct report. And as it is still in the approval process, it's a report for the Legislature. The Legislature has not seen it yet. So at this point, we don't want to bring it out to the public and show it before the Legislature has had a chance to look at their report. But then I think at the December meeting, we can review it again. It Is only a few pages long. A decent portion of it has your bios on it, such as talking about you [indistinct]. So that is the annual report. And then so next year we will probably start working on that just because all approval processes take a little while, so probably the summer sometime. Mid-to-late summer we will start thinking about that and what we are going to be putting in it for the action so we have completed. So any other questions on the report? Okay. Fantastic. So, again, as usual, we are ahead of schedule, which is a good thing. So one of the next things that I will

talk about here is as we come towards the end of our meeting and start to wrap up is meeting cadence. So in terms of the meeting right now we have today's meeting, and then the next one is set up for December 11th. Then after that, I guess, how do we want to do this? I have some general thoughts and ideas. I find it's usually easier to edit an idea than to just come up with it from nothing. So I was thinking, perhaps, meet every other month starting in January and just throwing out something like every third Thursday of the month just to have some sort of regularity to it. So putting that before the Board. Thoughts, questions, ideas?

Douglas Barthold: This is Doug Barthold. What is the length of that meeting?

Mike Neuenschwander: Well, so that is also up for discussion and debate. So this meeting and the December meeting are probably going to be a little bit longer. Moving forward, I guess I defer to thoughts, maybe a half-day or something similar to this or -- what are you guys thinking in terms of a Board?

MaryAnne Lindeblad: This is Mary Anne. I would just say it's going to be so topically driven, and it will be hard to say. I wonder if we could set them for half a day and then acknowledge once we can get an agenda developed, and it may not be -- maybe it's two hours. But I am just thinking that at least the first few will probably take us longer.

Mike Neuenschwander: Okay. And I do think that there is some wisdom in that, I think. And I am also one, too. I like to be flexible to accommodate people's schedules as they are able necessary. And some months we might be really topic heavy, and it might be a little longer other months [indistinct] we have done most of what we need to do and get out of here in a shorter time frame.

Michael Tunick: This is Michael Tunick. So I expect you will also be publishing the meeting in the Washington State Reporter, in which case you would give yourself that flexibility by saying that it is going to take up 9 to 4 just agenda, and then if the agenda ends a bit shorter when you actually post the agenda, it will say we are [cross-talk] --

Mike Neuenschwander: Okay. So it's easier to go for a long -- to plan [cross-talk] --

Michael Tunick: Yeah.

Mike Neuenschwander: -- for a longer day and take it down than go for a shorter day and take it up. Okay.

Michael Tunick: Right.

Ryan Pistoresi: It is because our meeting is -- this is Ryan. It is because our meeting is scheduled to be posted with the Code Reviser. So they are published for the next year. And so as Mike mentioned, if we set every other month and every third Thursday, then it is easy to say February, April through December, and then that way it is published with the Code Reviser, and we don't have to do things like special meetings where we have to post at the front of the agency that there is a special meeting and announce it to news stations and newspapers and things like that. So to Mike's point if we can look at the schedule for the entire year, that makes it easier for all of us on the administrative side.

Michael Tunick: Better also make sure this room is available because Ryan and I attend a lot of PEBB and SEB Board meetings, and when I hear Thursdays, I am thinking like that is when a lot of the important meetings are, but I can't remember which Thursdays. They may have already reserved the room.

Ryan Pistoresi: Right. Yeah, we can double check with the PEBB and SEB Board.

Mike Neuenschwander: Yeah, I can't remember where I heard it -- I want to say maybe Donna told me -- but if we did the meetings in January, which would start in January and every other month, and that would, I think, take us off. We wouldn't be conflicting with other potential meetings that seem to run bi-monthly from February.

Hung Truong: Just to get a project moving along, you usually need more often but less, shorter as a general so we can keep on the pace.

Ryan Pistoresi: Mm-hmm.

Hung Truong: I don't like long meetings.

Multiple Speakers: [laughter]

Douglas Barthold: This is Doug. I was going to say that for -- and I think it also depends on what they are going to be in person or virtual. I think it's very hard to be in a

virtual meeting for more than two hours, maybe three. In person, I think I can go a little longer, so I guess we would want to consider that. It's part of the same decision, right?

Ryan Pistoresi: Mm-hmm. Yeah.

Mike Neuenschwander: Yeah. Mm-hmm. Yeah.

Hung Truong: [Indistinct]?

Multiple Speakers: [laughter] [cross-talk] --

Douglas Barthold: And it is like it is this consideration like, "I get to come to Olympia." It probably makes more sense to have a longer meeting, whereas a person should be getting on Zoom then whatever. It could be two hours, it could be half an hour, or whatever.

Mike Neuenschwander: Okay. And I mean, one thing too is I will say so maybe we can set like this base meeting schedule, and then if we do need to meet more frequently, we can adjust with that as well. One thing that I was discussing about with Donna is because this is a very data-driven project, having that time to develop those methodologies, play with the data, figure it out because, otherwise, if we meet too soon, just products won't be ready in time to look at as well. But yeah, if we do need to meet more often, we have capacity. So then it is like, okay, well, for these next two months let's do it every month. Or maybe just if we need to add it to our meeting and supplement something, we could do that as well.

Hung Truong: Every other month is a good pace. [Cross-talk] So I am not advocating for more.

Mike Neuenschwander: Okay, okay, okay. Again, I am trying to be flexible, so whatever we need to do to get the job done is basically what I am trying to do. Okay. So every other month if we started in January, that would be fine? Okay. And then I was just picking a random time that seemed to look decently open on my calendar, third Thursday of every month?

Douglas Barthold: This is Doug. For me, that would have to be virtual for me.

Mike Neuenschwander: Okay.

Hung Truong: Could we go through using email to kind of finally and not establish it now for us to how to decide?

MaryAnne Lindeblad: Have some other options?

Mike Neuenschwander: Yeah.

Hung Truong: Not Thursday, but it could be on Wednesday or Friday?

Mike Neuenschwander: Or yeah. And again, I am not married to a single day.

Douglas Barthold: You know, if we could do it while everyone is sort of here in the open public meeting, I prefer that [cross-talk] over sort of something as mundane as scheduling.

Hung Truong: Is this driven by the Board members, or is this everyone into consideration?

Mike Neuenschwander: I mean, primarily the Board members, but also the staff that support you [cross-talk]

Hung Truong: Okay, yeah.

Mike Neuenschwander: It would be nice if they were here to [laughter].

Michael Tunick: So yeah, clearly that is the five of you.

Mike Neuenschwander: Yeah.

Michael Tunick: Yeah, and if I can't make it, someone else from my office will. There should be a member of the office if I can make it. But someone else [cross-talk] --

Ryan Pistoresi: And this is Ryan. And yeah, we do need a quorum, so since you three are the quorum here, you get the preference of choosing that date, and then Eileen, Cody, and whomever the fifth member will you be able to comment as well. marry? But you get the benefit of a quorum.

MaryAnne Lindeblad: This is MaryAnne. Doug, would there be a better day? I know, Thursday is probably the worst day of the week for me, but I think it is [cross-talk] --

Douglas Barthold: Doug. Tuesdays are generally the best, but I can if it was Thursday morning. That would work for me.

Mike Neuenschwander: Okay.

Hung Truong: This is Hung. I can make it work every other month. Right? On a Thursday. Yeah.

Mike Neuenschwander: Okay.

Douglas Barthold: Doug. What were your thoughts in personal versus virtual?

Mike Neuenschwander: So in terms of that, so with our open public meetings, I think there is always supposed to be a component that is in person. So even if it's a virtual meeting for everyone else, one of my staff will be here for someone who wants to come here in person to comment or just watch the Zoom link. So there will always to a degree be in person. But yeah, you can choose whatever you want to do. And then, I mean, if we want to be alternating virtual, in person, virtual, or one way all or the other, I don't really, it's up to you.

MaryAnne Lindeblad: The only thing I would think about is perhaps it's driven by the length of the meeting.

Mike Neuenschwander: Okay.

MaryAnne Lindeblad: Like if it is less than two hours, we can do it virtually -- I am just making this up -- but less than two hours, we do it virtually. If it's more than two, we make it in person. I mean, that may be a way to think about it.

Mike Neuenschwander: Okay. Okay. I think that would be agreeable. Okay? So every other month starts in January. It sounds like we are okay with that. Virtual meetings depend on the length of the meeting. I think we will in terms of scheduling, just like the room, we can block off a full day then adjust the meeting as needed. And then in terms of -- so most of the meetings, I guess, we can start in the morning and then end when they end. And then we just need a specific day and a specific week.

Douglas Barthold: You need to be given a [indistinct]?

Mike Neuenschwander: Yeah.

Douglas Barthold: So would that begin the third Thursday as January 18th? This is Doug, and I'm fine with that.

MaryAnne Lindeblad: [Cross-talk] It's great. Well, no. I mean its Thursday, I will just have to figure out how to make it work.

Mike Neuenschwander: It's okay. Well then, again, I'm open to whatever, so.

MaryAnne Lindeblad: Yeah.

Mike Neuenschwander: Okay. So in terms of any other meeting cadence, thoughts, ideas, questions, preferences? And, again, if we find something isn't working, we can switch things up, too. So I am not married to any specific day, time, and/or idea.

MaryAnne Lindeblad: Yes. One more question. When you talk about that, with the lead time you have to get the public notice out?

Mike Neuenschwander: So it's got to be [cross-talk] --

MaryAnne Lindeblad: [Cross-talk] [indistinct] included the year.

Mike Neuenschwander: Okay. Yeah. So they want this all posted here, right? [cross-talk], yeah.

Michael Tunick: I was just looking through my calendar for third Thursdays, and it looks like both the March and the July there is a PEBB Board meeting scheduled, and I don't know if they have already reserved this room, but [cross-talk] --

Ryan Pistoresi: Knowing PEBB, they probably have. [laughter] Maybe there are other conference rooms here at HCA that can work. We do have one right behind this peer that we have had some meetings. It is smaller, and it may be a bit of a challenge because of the logistics of having a PAB Board meeting -- you said July?

Mike Neuenschwander: The 7th of March and the July date. Third Thursday in March [cross-talk] --

Ryan Pistoresi: Yeah. So July might be cancelled. They usually separate closer to June, and sometimes the July ones and cancelled. The May one, they usually are reviewing rates for the managed care, so that might be a bit of a [cross-talk] --

Mike Neuenschwander: I mean, what about just deciding on Mondays?

Donna Sullivan: Hey Mike? Mike? This is Donna. And maybe this is a message for the attorneys, too. Maybe we could send out an email to each of the Board members independently and ask them which days of the week work best and then try to come up with a day for all the Board members once we have the other choose input as well. I don't think this is something that necessarily needs to be -- and then we can announce the date at the next meeting in December.

Mike Neuenschwander: Yeah. Michael?

Michael Tunick: Yeah, I think that is okay. Yeah. Sort of has that feeling of daisy chaining where A talks to B who talks to C, you know, sort of. But yeah, I think that is okay. But yeah, just [cross-talk] --

Mike Neuenschwander: On a short survey?

Michael Tunick: More of just, yeah, get people's availabilities, then at the next meeting [cross-talk] --

Douglas Barthold: That makes sense. There are two people who are not here [cross-talk] who need to be.

Mike Neuenschwander: Yeah.

MaryAnne Lindeblad: Yeah, that's [cross-talk] --

Douglas Barthold: Yeah.

Mike Neuenschwander: Does that make sense?

Douglas Barthold: There are two people who are not here.

Ryan Pistoresi: Yeah, especially because one is on vacation right now, so.

Mike Neuenschwander: Okay.

Mike Neuenschwander: I just don't want to break that Public Meetings Act. Right?

Multiple Speakers: Right.

Mike Neuenschwander: Okay. So I think it sounds like we have pretty much everything worked out except for day of the week, basically, more or less. Okay. Great. So we can send out a short survey on that and make sure Michael Tunick is CC'd on that, so everyone is legal and kosher. Okay? Any other questions, comments, thoughts?

Douglas Barthold: This is Doug. I saw on the agenda for today, it says, "set next meeting's agenda." Is that still to come?

Mike Neuenschwander: Right.

Douglas Barthold: Okay. I wasn't sure if you meant thoughts on that.

Mike Neuenschwander: Yeah.

Douglas Barthold: Okay.

Mike Neuenschwander: We're getting there.

Douglas Barthold: Okay.

Mike Neuenschwander: You're one step ahead.

Douglas Barthold: Yeah.

Mike Neuenschwander: Donna, any other thoughts, comments?

Donna Sullivan: No. I think you guys ran a really good meeting. I am really excited about working with the group and moving forward and looking forward to the work to come.

Mike Neuenschwander: Great. Thank you, Donna. Thank you for your help. So then just looking at the next meeting here for December 11th, so we are still firming this up here,

so I won't call it 100% gospel, but say we are probably 80% to 90% of the way there. So as I discussed chat about the WAC or the rules. Thoughts or comments on that show the legislative report that will be submitted here very soon, so that way the Board can see it. Policy reviews and edits, where I feel like we will probably spend the bulk of our time, so make sure you take a good look at those and read them so we can get feedback. Also discussing the initial drug list and the progress that we are making with our data team on that. And then I think one of the big things, too, as I mentioned, is that deadline as outlined by the legislation for looking at methodologies for the cost savings. So Marina, our health economist, is giving her talk about the work that she's been doing on that right now, so we can start getting familiar with that and what we need to be thinking about looking at. So that is the agenda as I see it for December.

Douglas Barthold: This is Doug. When does that official agenda get published or disseminated?

Mike Neuenschwander: So we have to publish it at least 24 hours before the meeting. We have two months so, hopefully, it gets done well before then.

Douglas Barthold: Okay, so can you just say again the policy items? Not the review of the policies, but the formulary review drug list.

Mike Neuenschwander: Taking a look, discussing the national drug list and reviewing the cost savings methodology.

Douglas Barthold: Okay. That is that sounds good. And so this goes back to my questions this morning about sort of the purview of the Board and what we are allowed to make rules about. So it seems like I suddenly realize like coming into this that it was already established that we will be doing the affordability reviews and setting upper payment plan limits. That seems to be -- so that is decided. That is done?

Ryan Pistoresi: Yeah.

Douglas Barthold: And that is what the Legislature has?

Ryan Pistoresi: Yeah. [Cross-talk] --

Douglas Barthold: Okay. I guess, like some of the other thing that I think I would like to have on the agenda is a discussion of the possible way that other things that this

Board can do to affect affordability of drugs for consumers, and that could be really broad. And I am curious to know what we are allowed and not allowed to do and have the reason. I mentioned this because I have my own ideas about regulations on cost sharing, and I don't know if we can affect that. But if we can, then I think it's definitely something we should consider.

Mike Neuenschwander: Okay. I think that will definitely be more of a question for our trusty attorneys.

Michael Tunick: Well, I am looking at it more specifically. And so I like, I guess, off the cuff. Like, I don't know that it's anything that you can specifically set, but I know that there will be reports to the Legislature. And I imagine in those you can make recommendations. And some of those might be here's some other avenues to explore for cost savings.

Douglas Barthold: Yes. So this is Doug. And if that is all that we are allowed to do in that space, then, great. Maybe we should do that. But yeah, I guess that is a question I have. Is that all we are allowed to do? And then if it is, how should we go about that?

Mike Neuenschwander: Okay.

Douglas Barthold: Yeah.

Douglas Barthold: And then I think that is something we can definitely take a look at more in depth, but just because -- especially in terms of cost savings, I haven't scoured the legislation to figure out how to fit that specific piece in there. But yeah, I think we can. That is a discussion we can have more with Michael, and then based on legal guidance, then we can go and approach that in our next Board meeting.

Ryan Pistoresi: Yeah, and so I was going to say -- this is Ryan -- so maybe an idea could be to learn a little bit more about the Healthcare Cost Transparency Board because, as Evan mentioned in his presentation this morning, there is other work that the agency is doing around transparency and healthcare costs, and I think there may be an opportunity with the Healthcare Cost Transparency Board that the policy division here at HCA manages and just learning a little bit more about what is their purview and what do they do around that system level costs.

Michael Tunick: Actually, that is a very good point. In here, the Board must coordinate and collaborate with the authority of other Boards or groups and commissions related to the healthcare cost transparency. Yeah so it is also known as famous to work with other Boards and commissions and agencies here in Washington, and also perhaps in another states.

Mike Neuenschwander: Yeah.

Douglas Barthold: So this is Doug. I had another question for Michael. Is the legality of our -- of what we are allowed to do, is that just an interpretation of what is in this statute? The legal interpretation of what is in the statute?

Michael Tunick: I would say yes. So [laughter] but this is one -- I keep forgetting to say, "This is Michael," so if you could just edit.

Douglas Barthold: So the reason I ask is just about -- you know I'm not a lawyer -- but I can imagine that if we have a purview to effect affordability of drugs to consumers, then out-of-pocket costs would be in that realm, and so I am just thinking about what the legality of that is and how that would be determined. Or is there something else that I am missing in terms of how we decide, of course, if that is legal or not?

Michael Tunick: I'm not sure. This is Michael. I am not sure that I understand the question. It's sort of what the Legislature has said. You are supposed to select up to 24 drugs a year and then here you can set an upper payment limit for up to 12 drugs, and [indistinct] but are you thinking like, well, what if what the Legislature has authorized me to do? I think that is illegal to [indistinct].

Douglas Barthold: What if I think there is -- this is Doug -- what if I think there are other ways to do with a lot less interest, [indistinct] other than upper payments.

Donna Sullivan: No. Doug, this is Donna. So part of the affordability review is actually looking at cost sharing amongst different payers across the state and how their benefit structure impacts affordability to the patient. So it might be part of the actual affordability review where we can look into patient costs and patient out-of-pocket costs, and then from that develop "is this drug affordable or not?" And then form our recommendations. I think it will be really difficult for us to answer your question right now without really getting more into the weeds of the process and looking at the drugs and the information that we will have to perform those reviews.

Douglas Barthold: Okay. Thank you, then. That is very helpful. This is Doug. And yeah, I mean, I think the reason I am raising it now is because if that if these are hard questions that we don't know the answer to, then [indistinct] next time. And then, yeah. And that sounds great for [indistinct], but you mentioned about the affordability review. It should absolutely include cost sharing. So that is the cost to the consumer. That is what affordable is. It is not the cost that the payer is paying to the manufacture. That is not -- they are not -- the payers are not the consumers. So yeah. To me, I think that is very helpful because think that approach will get us closer to what I am thinking about.

Ryan Pistoresi: And this is Ryan. So I do want to emphasize that it does say in statute that any savings generated for a health plan must be used to reduce cost to consumers. So I do think you are right that we will have to have an important focus on that cost to the consumer in order for us to ensure that these savings are passed through to the consumers.

Douglas Barthold: Great, thank you.

Mike Neuenschwander: And, too, again, as part of this, this is a kind of a multi-step process. So first, we are trying to identify some of these drugs then what the whole process of creating the methodology of exactly what our drug review is going to look like is still a blank slate. I mean, there are certain things that the Legislature says, yes, we need to look at this stuff. But there is a lot of other stuff we can look at. Then at the bottom it says "other things as applicable" or something to that.

Michael Tunick: Any additional factors.

Mike Neuenschwander: Yeah. Any additional factors. So the cost -- these drug reviews can take a lot of shapes and forms, and that is going to be part of the Board's job is to help develop that and see what does this drug review -- what do we want it to look like? So I think there is a lot of flexibility in that that might get a lot of what maybe you are hoping to look at.

Douglas Barthold: So another question. This is Doug. The initial drug list -- that we are going to establish a selection criterion to make the initial drug list. Is that right?

Mike Neuenschwander: Yeah. So there is -- as Evan was showing -- there are certain cost restrictions, certain times that it has to be on the market.

Douglas Barthold: But is this established? Or are we going to review that and decide how it is if that is how we like it?

Mike Neuenschwander: So yeah. In Evan's presentation, it outlines the drugs that have X amount of percent increase in a year, and it goes through that list. So that is going to be our initial list. It is going to come up with this list of, I think, Colorado and, what, like 600 drugs on their list? [Cross-talk] So they had a list of 600 drugs from their criteria that meant, okay, these are the drugs that have had the price increase. And then from that list of 600, what we need to do is then find a way to whittle it down. So on these drugs on this list, what are the drugs that are the most important? Ones with the highest cost? The ones that the most patients are using. You know, there are going to be a dozen, if not a lot more, factors for us to decide how we are going to choose these drugs. And, of course, we could do up to 24 drugs a year. But as I mentioned for this first list, maybe start a little bit more modestly. And just because we choose these five drugs this year, or whatever, it doesn't mean, the rest are being forgotten. There are more years. So we can go back to other drugs in other years of it. So that is going to be part of what we are going to be doing is. So we have this list of drugs out by legislation we need to be looking at that, but then how do we whittle this down to choose the ones that we want to go to a full-blown review on.

Hung Truong: This is Hung. When you were talking about setting the agenda, made it seem like you already had a list in place, but you are saying [cross-talk] you're going to [cross-talk] --

Mike Neuenschwander: No, no, no. We are still working on discs. So the other thing is it is complicated. There -- so, first, you have to find the data sources. And then you have to go and take -- okay, so using all these data sources, how do we whittle this down to meet all these criteria that are outlined. And so right now we are in that process of trying to figure out the best way to look at this data and get as accurate of a list as possible. And then once we have the list, we can start choosing, and once we choose that we can do methodologies for review. Then once we have our methodologies, we can do the review, and they go on down, so that we are at the start of a marathon. So pace yourselves, we will get there eventually. But, for example, Colorado has been working for over two years, and they have just finally chosen their first five drugs that they are going to review. They haven't even done the review. They have just chosen the five drugs that they are going to review. So just trying to

set pace and expectations here. We are not going to solve the drug pricing overnight.

Douglas Barthold: This is Doug. More questions about Evan's Slide 10. We could have the whole course on slide. Are these. So there are five bullet points there. Are those and or of this drug list criteria? Is the drug going to have to be all of these things or just any one of these things?

Ryan Pistoresi: So this is Ryan. So it is going to be the brand names and biologics that have the wholesale acquisition cost of $60,000 or more per year, or for a course of treatment less than a year, or that have the 50% price increase per year [cross-talk] for biosimilars, which is going to be a different subsection. They have to have their initial costs not at least 15% lower than the reference biologic. So if they are 86% of the reference biologic, they would be included in this initial drug list. If they are 84% of the cost of the reference biologic, they would not be included. And then the last one is generics, and we have identified that as a third. But as you think about this, what is a brand new drug? And so that is where we have these WACs, these rules that we are developing that try to specify what do we define as a brand name drug? Because that is how it's written statute. And then the policies and procedures are okay, well, we use this data port and this database in order for us to identify if it got approved by the MDA versus an ANA or whatever we decide is that situation. So that is the complexity that Mike was alluding to is how do we go from this statute that gives us this law that we could do these things into producing a list like Colorado and say here are the drug.

Douglas Barthold: Yeah. Thank you. That was helpful. This is Doug again. And so, basically, it's almost like the first three bullets are connected, and then the bottom two are independent.

Ryan Pistoresi: That is how I read it, yeah.

Douglas Barthold: Great. Thank you. And then lastly -- well, not lastly [laughter] -- Where do these five bullets come from? Is this from legislation?

Mike Neuenschwander: Yes. RCWs [cross-talk].

Hung Truong: So biologics are just [indistinct] drugs. I'm right. So I mean, it should say class of type of medication. They can be brand, biosimilars, or be generic. I am not -- am I thinking of something else? Are there other biologics?

Mike Neuenschwander: So I guess -- and Michael, you are an attorney, so maybe you can help interpret this, but because it has -- and I am going to direct you to 70.405.030(1) and (2). (1) as brand name prescription drugs and biological. Brand name is a term of art. And so, brand name could be a brand name biologic because the FDA requires a four digit -- or not four digit -- four alpha that suffix, they typically are going to be like their brand name because no other manufacturer could have that. But (2) says biosimilar, which is a specific type of biologic approved under the Public Health Services Act. So to Hung's question, should we consider these biosimilars within one as well or because it's written as (1) and (2), is it mutually exclusive in that anything that we would consider a biosimilar be separate from (1)?

Multiple Speakers: [Cross-talk] [indistinct] --

Mike Neuenschwander: You know, it is not anything to answer immediately, but I think that is the type of question that we have to figure out as a Board and have it be as part of our procedures of saying here is where (2), these biosimilars and how we gather that information versus (1), which is biologics to your point, a biosimilar is a biologic where we would consider biologics.

Donna Sullivan: Yeah, that was perfect. Yeah, this is Donna again. So the way I read the legislation is that the Legislature wanted us to look at high-cost biologic products in addition to high-cost brand name drugs in general. But as a secondary analysis, they wanted to us to look at and consider how affordable are generic drugs or biosimilars to their reference product? And so I think there is kind of like a two-part analysis on affordability that we are looking at. One is a biologic product overall, and then if it has a biosimilar, are those biosimilars priced at a reasonable amount lower than the reference product? Do they allow for some price relief for consumers based from the reference product itself?

Mike Neuenschwander: Okay. Thank you, Donna. Other questions? So this is just some of the fun that we are going to be digging into as we start to really get into this because, again, there are not going to be easy answers sometimes. And part of this is going to be how -- what are we putting as -- what are we prioritizing? What do we want to look at? What do we need to look at? So I think there is going to be a lot for us to discuss. And I know with one of the other Boards one of the reasons why Colorado has taken two years to get five drugs is because

there has to be a lot of robust discussion around how to get to where you want to be. Right? So with that, Doug, any [cross-talk] further questions?

Douglas Barthold: So I know that we can't talk to each other outside of these meetings. It's just like the nuances of this list are really complicated. It is where there is deciding how we take this list and how we apply it to make a slice of drugs. It's going to be a hard decision. That is the type of thing where in my experience with my research colleagues, we would iterate on it a lot and touch each other over and over and over again, and I would love to talk about this list with my colleagues at the University of Washington. Am I allowed to do that?

Michael Tunick: Yeah, yeah. You can. I don't see any [cross-talk] --

Douglas Barthold: Just as long [cross-talk].

Michael Tunick: Yeah. [Cross-talk] Right. Sort of. I know I was just sort of thinking except for certain things being secretive, I am just sort of looking. Like information collected, you are going to get some information from manufacturers that is like proprietary and confidential, you know, that kind of thing you keep secret if there is discussion at an executive session. [Cross-talk] --

Mike Neuenschwander: [Cross-talk] Or you know -- oh, sorry.

Michael Tunick: Oh, no, please. Yeah.

Ryan Pistoresi: I was going to say if you do write something down though that is related to your work, then it becomes a public record.

Douglas Barthold: Okay.

Ryan Pistoresi: So just keep that in mind as well.

Douglas Barthold: Yeah, yeah.

Hung Truong: This is Hung. Just following that question. So the people that I would be talking to, would they be subject to the conflict of interest that is for the Board members?

Michael Tunick: I mean, as I was talking about this, I was sort of thinking about that where you are bound by certain things they are not. And so, you might want to at least keep in mind, do these people have an interest either for or against what it is that we are doing, so that they are -- I guess. So the thing about if they might get to use the word bias but depending on their background if they [indistinct] would be for or against something that -- keep that in mind.

Nonye Connor: This is Nonye. Donna has her hand up.

Donna Sullivan: All right, thanks. So I wanted to comment on Douglas's question. You are always welcome to send questions to us as well as any other staff. You are allowed to talk to us. We could have conversations. We can tell you what we have done already as far as brainstorming about how to pull the data for some of these lists of drugs. It is okay for you to talk with us as a staff, as long as you are not having a conversation with the entire Board and the staff together. So one-on-one is okay to submit questions to us and engage in that kind of dialogue. I would caution you on speaking to others, that you don't engage drug manufacturers or their drug representatives in talking about this list of how to develop it as far as with those that have conflicts of interest. But you can discuss this with other colleagues as far as thinking about a methodology and things like that. But just like we do with our Pharmacy and Therapeutics Committee, our Drug Utilization Review Board, we caution you from engaging with the drug manufacturers, where we might be doing an affordability review on their drug.

Mike Neuenschwander: And just to follow up, if you do get questions from them, you can guide them to our PDAB mailbox, which is at the bottom of the agenda. So that way if they have questions about what the Board is doing, they could come to us, and we can answer.

Douglas Barthold: And thanks. This is Doug. Yeah, that is very helpful. Yeah, I mean, I am kind of looking forward to discussing this. This type of methodology is something that we have a weekly seminar on Wednesdays where we literally just discuss methodologies for doing this type of thing. And so these are other faculty members that I think will be really helpful in thinking about where are the strengths of this approach? What are we missing? So, yeah. I look forward to it.

Mike Neuenschwander: Great. Okay. Any other questions, comments? Okay.

Nonye Connor: This is Nonye. Donna, did you still want to say something?

Donna Sullivan: Nope. Sorry. I forgot to put my hand down.

Mike Neuenschwander: Okay, great. Well, then I think that is bringing us to our last item on today's agenda, which is the public comment. And so for that, I will turn it over to Nonye.

Nonye Connor: Hi, this is Nonye. I will read the list of stakeholder names who pre-registered to speak. If you are onsite, I ask that you come up and sit at a table next to Mike. If you are on Zoom, please raise your hand. We will call on you and unmute you. You can also use the Q&A box. Next, please answer the questions that will be on the screen. You have three minutes, and it will start after you answer the questions. The first person I had on the list here was -- and I thought I saw this name. It is Dan -- yeah. I am so sorry. Daria McGrew. I am going to unmute you, and then I am going to share my screen so that you can see the questions. And then you are good to go.

Daria McGrew: All right. Thank you. Confirming you can hear me.

Nonye Connor: Yes.

Mike Neuenschwander: Yes.

Daria McGrew: Awesome.

Nonye Connor: Okay. Can you see the questions?

Daria McGrew: Got, it. Yep. I can see them now. Hi. This is Daria McGrew, State Policy Director, speaking on behalf of Pharma. I am not a provider and not a Washington resident.

Nonye Connor: Okay. Thank you.

Daria McGrew: Okay. Thank you. Again, Daria McGrew, State Policy Director on behalf of Pharma. We are a trade association representing the country's leading innovative biopharmaceutical companies. I want to thank you all for the thoughtful discussion today. We appreciate the expressed intent to undergo a careful and deliberative process as you move into this very difficult work. Generally speaking, I would be remiss if I didn't express concerns with the

underlying assumptions underpinning some of the Board's statutory mandate that do not address many factors that drive patient affordability. Government price controls fail to address patient barriers to accessing care, like out-of-pocket costs. Health benefit designs determine how much patients pay at the pharmacy for their medicine. Patients who have deductibles will still be required to meet those deductibles if no changes are made to plan design. In your work in the affordability review as was discussed today, we do encourage Board members to consider the full context of costs in the health care system and include in your analysis the role insurers and PBMs play. As they dictate the terms of the coverage and the amount of the patients pay, patients and the residents of Washington need concreter forms and near-term solutions that will help lower the price they pay for medicines. We did submit a comment letter in response to the CR 101 draft regulations and hope that HCA has shared or will share that with the Board members. Thank you to the HCA for consideration of these comments. I note that the CR 102 public hearing was noticed today during this meeting. We will review the changes made. I have not done so yet, so I will briefly summarize a few of the points from our first letter. Recognizing this is just the beginning of a long process, we do suggest the Board needs to create much more clear and meaningful methodology for how you will perform this review. As other states have begun to experience, this requires you to consider and weigh wildly disparate and varied and large datasets. We suggest that the Board flesh out and make clear where some of the desired data will come from. The draft rules contain a list of factors to consider but are not clear on which data will be used to consider that. We urge you to clarify intended sources and how the Board will evaluate accuracy of these data. We appreciate the in depth legal review today on open meetings and document retention. We hope as you move forward you will continue to develop and implement adequate safeguards for manufacturers' confidential proprietary and trade secret information. This work may include the Board. Your work may include the Board requesting highly sensitive manufacturer information, and there should be clear guidelines for how this is to be transmitted, stored, and kept confidential. Running out of time, I will skip ahead. As you begin to do the work you are tasked with and delve into a complex supply chain and even more complex datasets, we, Pharma, can be a resource to you, the Board. We would be happy to present manufacturer perspectives or education with this body, and we look forward to partnering with you. Thank you.

Nonye Connor: We have another hand raised. Is there anyone in the room that wanted to speak? Okay. I think I see another hand raised. Let me go ahead. The next

person I saw was S. Grenier, Grenier? And I am so sorry if I am mispronouncing your name. I am going to go ahead and unmute you and put the questions up and a timer.

Seth Greiner: Good afternoon. Can you hear me?

Mike Neuenschwander: Yes.

Seth Greiner: My name is Seth Greiner. I am the Senior Manager of Advocacy for the National Multiple Sclerosis Society here in Seattle, Washington. Multiple sclerosis is an unpredictable disease of the central nervous system. There is currently no cure, and symptoms vary from person to person, and an estimated 1 million people in the United States live with multiple sclerosis. Early diagnosis and treatment are critical to minimize disability, and significant progress is being made to achieve a world free of MS. The cost of prescription drugs is of great concern to Washingtonians living with multiple sclerosis. The MS Society looks forward to a productive and transparent process and thanks the Board and staff for their work so far, their time and expertise, and we look forward to providing comments and expertise throughout the process. Thank you.

Nonye Connor: Thank you. I have Ronnie. I am going to go ahead and unmute you.

Ronnie Shore: Thank you. My name is Ronnie Shore, and I am the leader of a healthcare advocacy group called Healthcare For All of Washington. I am also a retired pharmacist. And I think Maryanne could empathize with this. I kind of failed at retirement, and I still work with some specialists in pharmacogenomics. But I am truly speaking on behalf of the patients in the community as a whole, and I wanted to thank you for dealing with these details. As I have watched you struggle through this today, I am so glad that I am not sitting on that Board with you. I am so glad that you are taking on this responsibility. But I would like to share that it's a part of a bigger picture, to me. There is a government role for looking and helping set prices. It is exciting to see manufacturers step forward and voluntarily lower prices, but we have also seen them voluntarily raise prices, sometimes exorbitantly. So just doing these evaluations is important. But I also look at it from a perspective of, What impact will this have on regulations of pharmacy benefit managers or the insurance industry, which is focusing not on the patient but on their roles in making profits for their suppliers or for their companies. Also on a government role in manufacturing, California, and a number of innovative

programs around the country have been looking at a government role to do some of our own government-sponsored manufacturing. To me, the issue, like Seth was just explaining, is the outcome for patients. So it is exciting to see a number of things happening. What you are doing is a really important part of that to me. And I think the other issue to keep in mind as we look at all of the bouncing balls is the relationship with your role with other Boards with this great staff at the Health Care Authority is to look at equity. There are groups who have specific disabilities, who have racial or gender biases against their healthcare that limits their healthcare access. This job you are doing may be dealing with some small details, and I love hearing your conversation today. But it does. You are having a big impact on our community as a whole. So I wanted to say thank you to the Board members and to the staff for doing this work. And feel free to call on me. In fact, a last plug is that you can't come to a meeting I am having tomorrow. Healthcare For All is having a meeting -- a conference on lowering drug prices, but please consider not coming but looking at our YouTube video that will reflect that conversation with Senator Kaiser, some national leaders on government manufacturing, and on drug affordability Board, and some information I have gotten from Ryan, from people in Oregon. So I have run out of my time. I appreciate the work that you are doing. So thank you.

Nonye Connor: Okay, I don't see anyone else. And that is all I have.

Mike Neuenschwander: Okay. Great. Well, I would like to thank everyone for coming out today. It was great to meet the new people who I haven't met before. Always good to see old friends and colleagues. And yeah, we will be getting together here again on December 11th. We will keep you posted with updates to the agenda, and we will also work to pan out and finalize the final details of the scheduling for next year. And I am very excited to work with you all. We really have a great staff, a great team here, and look forward to making some really good progress and talking about this issue. So thank you very much, especially to the Board members for volunteering their time and coming out. It is going to be a great pleasure to work with you. So with that, I think we will conclude our meeting. And thank you everyone else who called in on Zoom. Okay. All right. Ready? Break. Thank you.

Douglas Barthold: Thanks.

[end of audio]