



January 24, 2017

Ms. Lonnie Johns-Brown
Legislative Director, Policy & Legislative Division
Office of the Insurance Commissioner
Olympia WA 98504

Via email: LonnieJ@oic.wa.gov

Re: Need for Legislation Providing Confidential Treatment of Proprietary Information Submitted Pursuant to SB 5857 (2016) and Chapter 284-180 WAC

Dear Ms. Johns-Brown:

The Pharmaceutical Care Management Association (PCMA) is submitting the following request for consideration as the Office of the Insurance Commissioner (OIC) considers its legislative agenda for 2017. PCMA is the national trade association representing America's pharmacy benefit managers (PBMs), which administer prescription drug plans for more than 266 million Americans with health coverage provided through Fortune 500 employers, health insurance plans, labor unions, Medicaid managed care, Medicare Part D, and other public programs.

As you know, SB 5857 (2016) required PBMs to register with the OIC and granted OIC authority to adjudicate certain reimbursement disputes between pharmacies and PBMs. OIC developed regulations pursuant to this statute that provided further detail on the materials that would be required of PBMs. PCMA participated in the comment period for this regulation and expressed concern about the lack of protections in the regulation for the documents that would be required. The regulation unfortunately did not provide any protections from public disclosure should PBMs be required to submit proprietary or confidential information. We remain concerned.

It is PCMA's understanding that the OIC recognizes that the lack of confidentiality protections outlined in the statute may present a challenge to effectuating the OIC's regulatory charge under this new law. PCMA respectfully requests that the OIC seek legislation to amend the statute and establish confidentiality protections similar to those provided for confidential, proprietary or pricing information submitted under other areas of the OIC's jurisdiction, such as provider contract rates in the health insurance space.

We appreciate the opportunity to provide comment on this issue and we look forward to speaking with you in the future about this issue. Please contact me at 202-756-5743 if you would like to speak further. Thank you.

Sincerely,

A handwritten signature in black ink that reads "April C. Alexander".

April C. Alexander
Senior Director, State Affairs

Pharmaceutical Care Management Association
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