



# Oppose SB 5744: Restrictions on Health Plan Pharmacy Benefits

SB 5744 would create a mandate that health plans establish additional procedures to administer prescription drug benefits. The proposal is burdensome and ultimately more costly for consumers.

## Mail Service Pharmacy

One of the tools relied on by employers and health plans to help control drug spending is the use of mail service pharmacies. Prescription drug services by mail are less expensive and, often more convenient for patients than brick-and-mortar pharmacies. Mail service pharmacy has also been found to: (1) expand the use of more affordable generic drugs; (2) improve patient safety by utilizing dispensing tools 20x more accurate than human dispensing; and (3) enhance patient adherence to prescription regimes, including 24/7 access to pharmacist counseling. A 2014 study by Visante found that mail order will save consumers, employers and other payers nearly \$60 billion over the 10-year period 2015-24 than if those same medications were dispensed at a brick-and-mortar pharmacy. Savings for purchases in Washington over that same period were estimated to be over \$100 million.

## A Patient Chooses Where a Prescription is Filled

When a patient receives a prescription from a licensed provider, the patient decides where the prescription will be filled. The patient can take a hand-written prescription to a brick-and-mortar pharmacy or mail it to a mail service pharmacy, with forms affirmatively choosing to receive medications by mail. The patient may choose to have the provider fax or call the prescription in to a mail service or brick-and-mortar pharmacy, or if the provider has the capability to do electronic prescribing, send the prescription electronically to a brick-and-mortar or mail-service pharmacy. In any case, the patient directs the decision.

## Health Plan Cost-Saving Tools Benefit All Enrollees

Employers and health plans determine the benefits, premium and cost-sharing for their enrollees. For example, health plans frequently require the use of in-network providers by using various cost-sharing incentives. These, and other plan designs, help keep health coverage more affordable for all enrollees. SB 5477 would eliminate a health plan's ability to require the use of mail-service pharmacy as a cost savings tool for maintenance medications. Normally, when an employer or health plan elects to require the use of mail-service for maintenance medications, the patient first goes to a bricks-and-mortar pharmacy to make sure the prescribed regimen is effective. Then the patient transitions to a mail-service system.

In an environment of escalating prescription drug prices, you should not be taking away an important cost savings tool, especially one that benefits the vast majority of patients.

## Medicare Is Considering Abandoning a Similar Policy



Because of stakeholder feedback that a Medicare policy similar to SB 5744 “creates an unnecessary burden and interferes with improving medication adherence via automatic refill shipments,” CMS is considering abandoning or modifying the consent requirement.

Restricting a plan’s ability to fully utilize the cost-savings through mail service will only result in higher costs for all enrollees.