



STATE OF WISCONSIN
GOVERNOR'S TASK FORCE ON
REDUCING PRESCRIPTION DRUG PRICES

Meeting Minutes

July 22, 2020
10 a.m. – 2 p.m.
Webinar via Zoom

Welcome

Nathan Houdek, OCI Deputy Commissioner and Task Force chair

- Deputy Commissioner Houdek welcomed Task Force members and public attendees.
- Key housekeeping items:
 - A reminder that this is a public meeting.
 - The meeting is being recorded and live-streamed by Wisconsin Eye which can be found here: <https://wiseye.org/player/?clientID=2789595964&eventID=2020071109>
 - Task Force members will have use of their microphones; the public does not.

Consumer Experience

The Herrick family, of Cushing, Wisconsin, shared their experience with the cost of prescription medication to treat diabetes in their family.

- In July 2014, Ted Herrick was diagnosed with type 2 diabetes. Several months later, the Herricks' daughter Carly was diagnosed with type 1 diabetes.
- They must first meet a \$5,000 deductible, then they pay a coinsurance of 30 percent up to \$10,000 maximum out-of-pocket.
- They find the cost of insulin and related diabetes supplies to be a major financial burden on their family.

OptumRx: Real-Time Benefit Tools

David Calabrese, RPh – Chief Pharmacy Officer, OptumRx

- A presentation from OptumRx is available on the Task Force website:
<https://rxdrugtaskforce.wi.gov/Documents/OptumRx.pdf>

Issues raised by task force members:

- Glad to see Optum has the capability to check and interact with EMR. A task force member has access to a program that gives information about the formulary and offers alternative options if something is not on the patient's formulary. The cost information, in terms of the out of pocket to the consumer, is not turned on.
- There was interest in whether the program offers information on the cost of a drug to the provider, so that a decision could be made on the cost to the entire system. It does not at this time, but it is something that is being considered.

Wisconsin Pharmacy Cost Study Committee

Renee Walk – Lead Policy Advisor, Strategic Health Policy, Department of Employee Trust Funds



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- A presentation from the Wisconsin Pharmacy Cost Study Committee is available on the Task Force website: https://rxdrugtaskforce.wi.gov/Documents/ETF_Rx_Study.pdf
- The final report of the study is available on the Task Force website: https://rxdrugtaskforce.wi.gov/Documents/WI_Pharmacy_Cost_Study_Committee_Final_Report.pdf

Northwest Prescription Drug Consortium

Trevor Douglass, DC – MPHOPDP and Pharmacy Purchasing Director, Oregon Prescription Drug Program
Donna Sullivan, Pharm D – MSChief Pharmacist Officer, Washington State Health Care Authority

- A presentation from the Northwest Prescription Drug Consortium is available on the Task Force website: https://rxdrugtaskforce.wi.gov/Documents/NW_Rx_Drug_Consortium.pdf

Issues raised by task force members:

- Interest in how the consortium's prescription drug card compares to others offered in the state.
 - Overall, the consortium's card offers the best discounts, with the exception of those entities with a relationship with a manufacturer.
- The program does not allow manufacturer coupons to apply to enrollee deductibles. They will allow adjustments to the enrollee's co-insurance should it be proven that a brand drug is needed over the generic version.
- It was expressed that the coupons are used to get around the plan formulary.
- Spread pricing was raised and the presenters indicated that spread pricing is not allowed in their agreements.
- The consortium is in discussions, at varying levels, with other states about potentially joining the consortium.

American Association of Retired Persons (AARP)

Leigh Purvis – Director of Health Services Research at the AARP Public Policy Institute

- A presentation from AARP is available on the Task Force website: <https://rxdrugtaskforce.wi.gov/Documents/AARP.pdf>

American Diabetes Association

Gary Dougherty – Director-State Government Affairs, American Diabetes Association

- A presentation from the American Diabetes Association is available on the Task Force website: <https://rxdrugtaskforce.wi.gov/Documents/ADA.pdf>

Issues raised by task force members:

- There was an interest in what the copay cap covers.
 - It depends on how the law is written. In some states it is a collective cap, meaning if the cap is set at \$100, the cost to the enrollee is \$100 regardless of the number of scripts



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written. In other states, the cap is applied per script. Therefore, if the cap is set at \$100, and there are two prescriptions within the month, the cost to the enrollee is \$200.

Vivent Health/ 340B Issues

Bill Keeton – Vice President and Chief Advocacy Officer, Vivent Health

Peggy Tighe, J.D., – Principal, POWERS, Powers Pyles Sutter & Verville PC

A presentation from Vivent Health is available on the Task Force website:

<https://rxdrugtaskforce.wi.gov/Documents/Vivent.pdf>

Issues raised by task force members:

- There is “discriminatory reimbursement” occurring where PBMs are not reimbursing covered entities under the federal 340B program at the level they are reimbursing other pharmacies. Concerns were expressed that this practice jeopardizes a covered entities effort to re-invest savings from the 340B program into other community and patient-focused programs.
- The point was made that 340B claims are not rebate eligible.
- There was concern expressed over the growth of the program and whether dollars accrued as hospitals have merged are serving the underserved.

Next Steps

- The next meeting is on August 25. This entire meeting will be a discussion about policy options and recommendations.
- A report summarizing the work of the task force will be compiled to submit to the Governor in September.
- Please send any input and feedback to the task force to be distributed to the members.

Adjourn