
SUBSTITUTE HOUSE BILL 1869

State of Washington

66th Legislature

2019 Regular Session

By House Health Care & Wellness (originally sponsored by Representatives Schmick and Cody)

1 AN ACT Relating to establishing the emerging therapies work
2 group; creating a new section; and providing an expiration date.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** (1) The emerging therapies work group is
5 established to provide a comprehensive analysis of emerging therapies
6 and their impacts on patients.

7 (2) (a) The work group shall consist of the following members:

8 (i) (A) Two members from the health care authority, appointed by
9 the director of the health care authority;

10 (B) Two members from the office of financial management,
11 appointed by the director of the office of financial management; and

12 (C) Two members who are experts in the fiscal impact of emerging
13 therapies on the state budget, appointed by the office of financial
14 management;

15 (ii) Members from the following fields who are appointed by the
16 director:

17 (A) At least one specialist in health care economics;

18 (B) At least one expert in nongene-based emerging therapies;

19 (C) At least one expert in gene-based emerging therapies;

20 (D) At least one medical ethicist;

21 (E) At least one rare disease specialist;

1 (F) At least one physician or osteopathic physician;

2 (G) At least one pharmacist;

3 (H) At least one psychologist;

4 (I) At least one health care actuary;

5 (J) At least one representative of the biotechnology industry;

6 and

7 (K) At least one representative of a rare disease pharmaceutical
8 company; and

9 (iii) An equal number of the members from each of the following
10 categories who are appointed by the director of the health care
11 authority:

12 (A) Representatives from managed care organizations providing
13 services to enrollees in medical assistance programs under chapter
14 74.09 RCW;

15 (B) Representatives from managed care organizations that have a
16 contract with either the public employees' benefits board or school
17 employees' benefits board; and

18 (C) Representatives of nonprofit patient advocacy organizations
19 based in Washington that represent rare diseases and those likely to
20 benefit from emerging therapies in the next ten years.

21 (b) The members appointed under (a)(ii) of this subsection must
22 have experience in emerging therapies. Each member appointed under
23 (a)(ii) of this subsection must disclose the existence of any
24 financial relationship with health care system stakeholders
25 including, but not limited to, insurers and the biopharmaceutical
26 industry, through a standard process established by the authority
27 before the first meeting of the work group.

28 (c) The work group may invite a representative of the office of
29 the superintendent of public instruction and a representative of the
30 department of social and health services to participate to the extent
31 that they may assist the work group in determining the overall cost-
32 benefit analysis.

33 (3) The work group must consider the following topics in its
34 comprehensive analysis of emerging therapies and their impacts on
35 patients, especially those patients who are enrolled in medicaid, a
36 plan offered by the public employees' benefits board, or a plan
37 offered by the school employees' benefits board:

38 (a) Long-term funding for emerging therapies;

39 (b) Potential funding options between manufacturers and the
40 state, such as value-based purchasing and financing options;

1 (c) Different payment options between the state and managed care
2 organizations;

3 (d) Quality oversight and outcome tracking of providers and
4 facilities administering the emerging therapy;

5 (e) Management of patients eligible for emerging therapies with
6 consideration of the benefit to the overall state budget;

7 (f) Cost-saving and economic benefits from emerging therapies;
8 and

9 (g) Efforts and policies in other states and federal agencies
10 regarding emerging therapies.

11 (4) The work group shall be chaired by one of the members from
12 either the health care authority or the office of financial
13 management. The work group must meet six times at the call of the
14 chair.

15 (5) By November 16, 2020, the emerging therapies work group shall
16 submit its report to the governor and the appropriate committees of
17 the legislature. The report shall include a comprehensive analysis of
18 emerging therapies and their impacts on patients, especially those
19 patients who are enrolled in medicaid, a plan offered by the public
20 employees' benefits board, or a plan offered by the school employees'
21 benefits board. The report shall include any regulatory
22 recommendations to state agencies and legislative recommendations to
23 the legislature.

24 (6) The health care authority must provide administrative,
25 research, and report development support to the work group.

26 (7) For the purposes of this section, "emerging therapy" means a
27 health care treatment that costs over one hundred thousand dollars
28 annually.

29 (8) This section expires July 1, 2021.

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