



February 8, 2019

Members, Health and Long Term Care Committee
435A J.A. Cherberg Bldg. P.O. Box 40466
Olympia, WA 98504-0466

Re: Support for Senate Bill 5806

Dear Members of the Health and Long Term Care Committee:

On behalf of the 1-in-10 individuals in Washington with one of the approximately 7,000 known rare diseases, the National Organization for Rare Disorders (NORD) urges you to support Senate Bill 5806, legislation that would establish incredibly important patient protections pertaining to utilization management protocols.

NORD is a unique federation of voluntary health organizations dedicated to helping people with rare "orphan" diseases and assisting the organizations that serve them. We are committed to the identification, treatment, and cure of rare disorders through programs of education, advocacy, research, and patient services. NORD believes strongly that all patients deserve the medical care that is best suited for their medical situation and that will give them the best results. Based on the reports we receive from member organizations and individuals, utilization management is being applied by health plans in Washington with little regard for a patient's treatment history and specific medical needs.

Utilization management, which includes prior authorization and step therapy, is a set of tools that insurers (public or private) use to manage the cost of health care by evaluating the necessity of services and therapies. For example, step therapy is a process in which insurers require patients to fail on one or more alternative medications before being put on the medicine preferred by their provider. While we understand that this is done by insurers in an attempt to control health care costs for the good of all beneficiaries, it can often be applied inappropriately, with little regard to clinical practicalities. As a result, in many cases, these requirements can delay appropriate treatment and ultimately increase costs, not lower them.

As the use of utilization management has increased (analysis shows that in some sectors plans have increased the use of utilization management by 42 percent)¹, so has the need for states to ensure that these requirements do not needlessly interfere with appropriate care for patients. For instance, in some cases, patients switching insurance plans may be required to stop taking a successful treatment and start taking a medicine that they have already failed on simply because the step therapy protocol does not take into account whether a patient has failed a medicine while covered by another insurer.

¹ Avalere. PlanScape Review of Formulary Coverage of Selected Treatments, 2015-2017. March 2018



SB 5806 would address this issue by providing new protections for patients when health plans implement utilization management. First, this legislation would require that utilization management protocols be based on medical criteria and clinical guidelines developed by independent experts. Second, it would require insurers to have a simple and accessible process for patients and providers to request exemptions. Finally, it would specify certain conditions under which it is medically appropriate to exempt patients from step therapy and would require insurers to grant or deny exemption requests within 72 hours for non-urgent cases and 24 hours for urgent cases.

In order to guarantee patient safety, Washington needs to ensure that utilization management policies do not interfere with appropriate care. By implementing the protections created in SB 5806, the Committee will be protecting patients while still enabling health plans to achieve the cost-saving benefits of utilization management when appropriate.

Thank you for the opportunity to comment on this legislation.

Sincerely,

Tim Boyd,
Director of State Policy

Sandra Sermone,
Washington Rare Action Network Volunteer State Co-Ambassador