

Via e-mail to rulescoordinator@oic.wa.gov

July 10, 2015

Mr. Jim Freeburg, Special Assistant to the Commissioner Policy & Legislative Affairs Office of Insurance Commissioner P. O. Box 40258 Olympia, WA 98504-0258

Subject: Stakeholder Draft of Prescription Drug Prior Authorization Rules R 2014-13

Dear Jim:

Thank you again for convening the stakeholder meeting recently to discuss the OIC's draft rule for prior authorization of pharmacy benefits. I am sending you these comments on behalf of Premera Blue Cross and LifeWise Health Plan of Washington (herein jointly referred to as "Premera" or "the Companies"). As you know, the Companies participated in the workgroup convened through OneHealthPort that developed the recommended rule changes on which the stakeholder draft is based. We are, overall, supportive of this rulemaking effort, and our comments are offered in order to ensure a practical regulation that is reasonable to implement.

Premera agrees with the comments made to your office by the workgroup, through Bill Campbell, and we will not re-state those same details. This includes support of the recommended wording changes.

In addition, we wish to add the following comments for your consideration:

- <u>Synchronization of medications</u>. As mentioned at the meeting, we believe it would make sense to examine how the new requirement for synchronization of medications would fit into the prior authorization process and this rulemaking. We suggest that the interaction between prior authorization requirements and changes in refill timing resulting from synchronization be clarified.
- <u>Emergency fills.</u> We recommend that you clarify the newly added definition for "Emergency fill," in draft WAC 284-43-130(6), to state expressly that emergency fills are applicable only for medications that are otherwise covered under the enrollee's health benefit plan.
- <u>Provider and pharmacy agreements.</u> To the extent that the OIC's draft adds requirements into the rule for notification or disclosure about specific prior authorization details to be made by including such provisions in the issuer's provider and pharmacy agreements, we would urge you to re-evaluate those requirements. (See draft WAC 284-43-325(3) and (5)). They would add a level of complexity to the implementation process that would likely prolong it and make it unnecessarily burdensome. Amending all provider agreements, and especially pharmacy contracts (typically done via the pharmacy benefits manager, which holds the agreements with each of the pharmacies), is an effort that requires significant lead time.

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The workgroup had not intended for such contract changes to be included in the rule, and did not suggest them in its recommendations. We believe there are other, more practical and more effective, avenues to ensure that details regarding prior authorization are disclosed. Our preferred alternative would be to accomplish this by using what we have in place today already, namely website information, which prescribers and pharmacies are accustomed to accessing and using on a regular basis.

In the event that the OIC believes contracts ultimately need to include the same provisions, we strongly recommend that this be added as a step that allows for a long implementation period, and that website information be accepted as the shorter-term solution to addressing this issue.

We appreciate your consideration of our comments and look forward to working with you further on this subject. If you have questions about these comments or other details relating to this rulemaking, please contact me. Thank you!

Sincerely,

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