

# Joint OHOS/KAMO Legislative Update

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Why should  
I care?

- ▶ We are in year 2 of the two-year session, which ends December 31, 2018.
- ▶ All 99 Ohio House seats and half of the Ohio Senate Seats are up for election.
- ▶ Senate President will remain and a new Speaker will be elected on May 16<sup>th</sup> .
- ▶ All Congressional seats and 1 U.S. Senate race are on the ballot.
- ▶ 5 Statewide Executive Offices and 2 Supreme Court Justices.

# Bills that affect OHOS

- ▶ House Bill 479 (Reps. S. Lipps (R-Franklin)/T. West (D-Canton))
  - ▶ Ohio Pharmacists Association is coalition lead. Dozens of medical and patient groups involved in supporting.
  - ▶ Pharmacy Benefit Managers (PBMs) would be prohibited from two actions: “Gag rule” and clawbacks.
  - ▶ “Gag rule” Pharmacist currently cannot provide the patient information about lower drug cost, unless they are asked for the cash price by the patient. Pharmacist risks losing preferred status by PBM.
  - ▶ “Clawback” prohibition-
  - ▶ Recently, a Cincinnati pharmacy bought a medication for \$60.67, and the PBM required the patient be charged a \$92.36 co-pay. The pharmacy received no additional money from the PBM, so their payment came from the co-pay. The PBM processed the claim and then “clawed-back” \$47.62 from the pharmacy. Therefore, the patient was overcharged \$31.69, the pharmacy lost \$24.43 on the transaction and the PBM middleman lined its pockets with \$47.62.

# House Bill 479 - continued

- ▶ 165 independent pharmacies have closed in one year.
- ▶ Also at play is “Spread pricing”. For example, when a PBM pays a pharmacy a minor amount (say \$6) for a prescription, but charges the employer and patient a much higher price (say \$30). This higher amount is reflected in both the co-pay and the billing to the employer.
- ▶ Cymbalta price spread which, multiplied by nearly 5 million pills in Ohio, netted PBMs nearly \$6 million.
- ▶ April 4<sup>th</sup> ODI issued a bulletin requiring more protections for consumers of prescription drugs. It prohibits “gag orders” and prevents insurers and PBMs from charging consumers more than what they would pay without insurance.
- ▶ HB 479 has had 2 hearings in the Government Accountability and Oversight Committee.

# OHOS PBM REFORM BILL

- ▶ We will build on the momentum and spotlight shone on PBMs with our own effort.
- ▶ OHOS to introduce a bill to address issues member pharmacies deal with on a regular basis:
  - ▶ Prohibit excluding physician-owned pharmacies from an insurance network and/or limiting pharmacies to the initial script only;
  - ▶ Delays in deliveries of cancer drugs to patients and the start of their treatment;
  - ▶ Steering patients to their own pharmacies;
  - ▶ PBM staff changing patient medications without physician approval;
  - ▶ Undefined and inappropriate application of quality metrics for oncology drug dispensing.
  - ▶ Sponsor and draft are pending.

# House Bill 72/Senate Bill 56

## Step Therapy Reform

- ▶ Follow-up to OSMA SB 129 from (131<sup>st</sup> GA)
- ▶ Sponsored by Reps. Johnson (R-McDermott)/N. Antonio (D-Lakewood) and Senators Lehner (R-Kettering)/ Tavares (D-Columbus)
- ▶ Patients are forced to “fail first” on the insurer’s drug before getting what their clinician prescribed.
- ▶ Step therapy protocols require the use of a specific medicine without knowing the patient’s medical history.
- ▶ Excluding physicians’ clinical judgment from patients’ treatment plans creates a barrier to getting the right care at the right time.
- ▶ Step therapy can undermine physicians’ ability to effectively treat patients and lower quality of care, resulting in set-backs and disease progression for patients.

# HB 72/SB 56 - continued

- ▶ It frequently requires the patient's clinician to complete prior-authorization paperwork if an alternate medication is indicated based on the history and condition of the patient. This delays getting the medication that was prescribed, or requires patients to take one or more medications that were not selected.
- ▶ SB56 does not prohibit insurers from using step therapy and does not require insurers to cover any specific medication. It seeks to improve the step therapy process by balancing cost containment with patient needs.
- ▶ Step therapy is in increasing use among insurers. HB 72 and SB 56 still allow for step therapy, but make it easier to get an exception.
- ▶ SB 56(-6) bases steps on clinical practice guidelines, instead of medical guidelines.
- ▶ Plans provide access to steps to patient and prescriber.
- ▶ Plans answer requests in 24/72 hr. increments; appeals similar timeframes; automatic exemptions; violations not deceptive practice, revises the mandatory exemptions.

# HB 72/SB 56 - continued

- ▶ Already 16 other states made these reforms including Iowa, Indiana, West Virginia, Arkansas, Louisiana, and Texas.
- ▶ 61 organizations in Ohioans for Step Therapy Reform Coalition, including OHOS and OSMA.
- ▶ LSC memo- not an insurance mandate.
- ▶ Immediate goal- pass one bill out of chamber of origin by summer recess.



# Telemedicine

- ▶ **House Bill 546** - (Rep. Patton (R-Strongsville)) prohibits health benefit plans from treating telemedicine services differently from in-person health care services solely because they are provided as telemedicine services.
- ▶ Sponsor “This legislation will prohibit health benefit plans from treating telemedicine services differently from in-person health care services solely because they are provided as telemedicine services.”
- ▶ **House Bill 617** - (Rep. West (D-Canton)) establishes the Ohio Telehealth Commission.
- ▶ The commission shall examine telehealth, in particular the use of electronic information, imaging, and communication technologies to provide, support, and improve health care access, delivery, diagnosis, consultation, treatment, and the transfer of medical data.
- ▶ Review areas and make annual recommendations on a variety of aspects related to telehealth: infrastructure, barriers, PPP, standards of care, funding.

# Reengagement of the Cancer Caucus

- ▶ OHOS was a lead organization along with ACS/CAN in restarting the Ohio General Assembly Cancer Caucus
- ▶ Co-Chairs Senator Stephanie Kunze (R-Hilliard) and Representative Theresa Gavarone (R-Bowling Green)
- ▶ Kick-off event in October, 2017 - Dr. Slobodan Stanisic, M.D.-Christ Hospital
- ▶ 1<sup>st</sup> meeting was April 11, 2018 - Dr. Jerry Mitchell, M.D. -Zangmeister Ctr. (opioids) and Dr. Phillip Santa-Emma, M.D. - Mt. Carmel Health System (palliative care)
- ▶ Regional Cancer center tours -Summer 2018
- ▶ Topics on various cancer types (lung, breast, prostate, colorectal, cervical, ovarian, brain) and their prevention, diagnosis, current and future treatment options.
- ▶ Cancer research in Ohio, cancer survivorship. clinical trials.
- ▶ The experiences of oncology nurses and family caregivers.
- ▶ Federal changes in Medicare that are impacting local providers and site of care.

# Tax Expenditure Review Committee

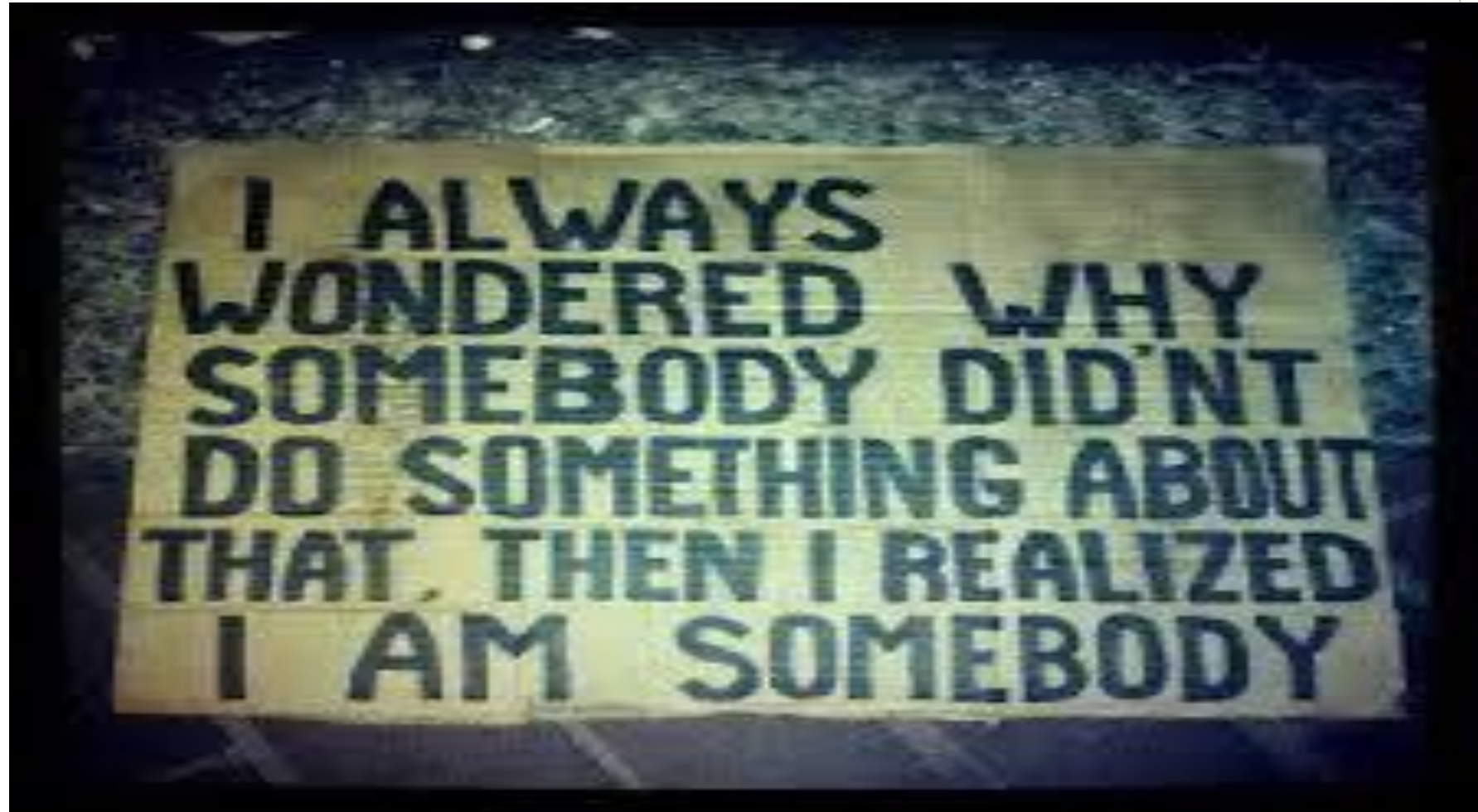
- ▶ The Tax Expenditure Review Committee was created in H.B. 9 of the 131st General Assembly to review all current tax expenditures at least once every eight years.
- ▶ Committee will make recommendations on whether each tax expenditure should be continued, modified, repealed or scheduled for further review at a later time. The committee has a July 1, 2018 deadline to issue a report.
- ▶ Senators Oelslager (Chair) (R-Canton), Eklund (R-Chardon), Sykes (D-Akron), Representatives Schaffer (R-Lancaster), Scherer (R-Circleville), Rogers (D-Mentor-on-the-Lake)
- ▶ Exclusion anti-neoplastic drug receipts Ohio Revised Code 5751.01(F)(2)(v); originally enacted 2005
  - ▶ An amount equal to the receipts realized from administering anti-neoplastic drugs and other cancer chemotherapy, biologicals, therapeutic agents and supportive drugs in a physician's office, to patients with cancer, is exempt from taxable gross receipts.
- ▶ Cost FY 18 - \$1.0 M and FY 19 \$1.1M
- ▶ OHOS to testify to defend

# Opioid- chronic pain rules

- ▶ Rules to be promulgated by the OSMB, OBN, OSDB to create a series of checkpoints as doses of opioids for chronic pain increase for patients.
- ▶ At 50 MED, prescribers will be required to re-evaluate the patient's underlying condition, look for signs of misuse, consider consulting a specialist and obtain written informed consent from the patient.
- ▶ At 80 MED, the prescriber will again look for signs of opioid misuse, consult a specialist, obtain a written pain management agreement and consider a prescription for naloxone.
- ▶ If the prescription reaches 120 MED, the prescriber will have to bring in a pain medicine specialist as a prescriber or consultant. Qualifying dentists will be limited to 100 MED for chronic pain, and any exceptions must be done in conjunction with a pain specialist.
- ▶ Rules will have to go through each board's rulemaking process, CSI and JCARR and are expected to be in place in the fall.
- ▶ Prescribers are to also consider non-opioid medications and treating pain without drugs.
- ▶ Terminal conditions or hospital-based care not subject to limits.

# Medicaid Work Requirements Waiver

- ▶ State Medicaid officials are hoping for quick federal approval of a request (April 30) to levy work requirements on certain enrollees; want operational by July 1, 2018.
- ▶ Lawmakers required the program in the biennial budget (**HB 49**), and the proposal roughly aligns with existing work and community engagement requirements for the Supplemental Nutrition Assistance Program.
- ▶ ODM said most of the 700,000 Ohioans in the expansion population already work and about 73% would meet exemptions.
- ▶ The proposal is expected to affect about 36,000 enrollees. They will have to work at least 20 hours per week or take part in other activities, including job searching, education and training.
- ▶ The work requirements are intended to improve the economic stability of Medicaid members.



I ALWAYS  
WONDERED WHY  
SOMEBODY DID'NT  
DO SOMETHING ABOUT  
THAT. THEN I REALIZED  
I AM SOMEBODY