

**Alliance Support of SB 5892:
State-purchased health care programs to maximize appropriate prescription
drug use in a cost-effective manner**

The Puget Sound Health Alliance supports Engrossed Substitute SB 5892 which helps to ensure that state health care programs purchase high quality, cost-effective care based on the best available science. SB 5892 is consistent with several Alliance priorities:

- **Purchasing Based on Value.** The Alliance encourages everyone – public health care programs, employers, union trusts, health plans, physicians and other health professionals, patients and others – to do their part to improve quality and efficiency of health care to increase value while ensuring that patients receive effective care.
- **Increasing the Generic Fill Rate.** The Alliance has taken a strong public stand promoting the use of generics when appropriate, so patients receive effective and affordable health care. We support the Governor’s stated goal of increasing the overall generic fill rate for Medicaid to at least 80%.
- **Reducing Unwarranted Variation.** The provisions to impose limited restrictions on physicians who use ‘dispense as written’ significantly more than their peers is an appropriate effort to reduce unwarranted variation in care.
- **Using Evidence-based Treatment.** The continued use of the Pharmacy and Therapeutics Committee to conduct evidence-based reviews to determine the most clinically-effective drug(s) in a drug class is appropriate. It would be helpful to see clarification in the bill to confirm the following assumptions:
 - It is our understanding that adding a new generic drug to a previously reviewed class would be allowed in cases where the P&T committee has found all products in a class equally safe and effective.
 - It is also our understanding that this bill would not require payers who provide Medicaid Healthy Options coverage under a capitated contract to use the State formulary.

The Alliance is a public-private collaborative of more than 150 organizations and many individual consumers, focused on encouraging and rewarding effective, affordable health care that improves overall quality and results in healthier people and greater value for every dollar.

This position was adopted using the Board-approved Public Policy Guidelines, which describe the collaborative review and input process involving Alliance participants. The resulting position of the Alliance as a large multi-stakeholder coalition does not necessarily reflect the views of every organization that participates in the Alliance.

Adopted by Executive Committee 03.19.09 and Confirmed by Alliance Board 03.24.09