00:00:00.017 --> 00:00:05.113
Welcome to the 340 Banter podcast. Today, Chelsea and I are joined by Lisa Nelson,

00:00:05.456 --> 00:00:08.445
the Chief Pharmacy Officer of UnityCare Northwest.

00:00:09.241 --> 00:00:14.017
We will discuss her recent experiences advocating for the Washington Contract

00:00:14.017 --> 00:00:18.108
Pharmacy Protection Bill and the tips and tricks that she learned along the way.

00:00:18.717 --> 00:00:23.123
Welcome to 340 Banter, a podcast dedicated to exploring the journeys,

00:00:23.385 --> 00:00:26.757
challenges, and successes of our 340B community.

00:00:26.966 --> 00:00:33.154
Our goal is simple, to engage, inform and empower you to make the most of your 340B program.

00:00:33.392 --> 00:00:37.727
In each episode, we discuss real-world experiences and opportunities across

00:00:37.727 --> 00:00:39.999
the worlds of pharmacy and 340B.

00:00:40.132 --> 00:00:44.497
You'll hear from industry leaders and experts as they share insights and explore

00:00:44.497 --> 00:00:48.526
the impact on covered entities, pharmacies, and the communities they serve.

00:00:48.834 --> 00:00:54.668
This podcast is produced by Grit & Gravel, your partners in marketing strategy and success.

00:00:54.906 --> 00:00:56.850
Now, let's get to the banter.

00:00:58.828 --> 00:01:03.370
Lisa, you were very involved in the creation, development, and advocacy for

00:01:03.370 --> 00:01:07.550

the Washington Bill to Protect Against the Manufacturer Restrictions.

00:01:07.550 --> 00:01:09.490
Can you tell us a little bit about that experience?

00:01:09.830 --> 00:01:14.230
It was a really, it was actually a really collaborative experience.

00:01:14.230 --> 00:01:18.236
So we had a short legislative session this last session, 60 days.

00:01:18.491 --> 00:01:23.560
Oh, and so fast. Yeah, to get a bill introduced and passed in a 60-day legislative

00:01:23.560 --> 00:01:25.067
session was quite the lift.

00:01:25.484 --> 00:01:30.230
So we actually, was this the first effort? Was this kind of after a previous

00:01:30.230 --> 00:01:31.870
effort? This was the first effort.

00:01:32.530 --> 00:01:37.140
We've been talking about the need for doing it, but then having the need,

00:01:37.140 --> 00:01:41.850
especially from those that are really engaged in 340p versus trying to get a

00:01:41.850 --> 00:01:45.810
group of people together to actually do the work.

00:01:46.150 --> 00:01:49.840
And so we hadn't moved to doing the work. And there have been so many things

00:01:49.840 --> 00:01:55.470
changing in just just in the health care environment and the pressures continuing

00:01:55.470 --> 00:01:59.590
to mount that it was getting to the point where we didn't really have an option any longer.

00:02:00.250 --> 00:02:04.680
But to build a coalition and and work on getting this bill passed.

00:02:04.680 --> 00:02:08.640
Since it was the first time you guys had introduced it, had you already gone

00:02:08.640 --> 00:02:12.230
through a lot of the education portion with your legislators?

00:02:12.230 --> 00:02:14.290
So it wasn't like starting from scratch?

00:02:14.406 --> 00:02:17.720
I think a little hit and miss. I think it just depends. so we didn't have broad

00:02:17.720 --> 00:02:22.179
education across our state legislature. Some.

00:02:22.638 --> 00:02:27.286
Knew more than others, you know, certainly from conversations over the year.

00:02:27.600 --> 00:02:30.665
But what we did have, especially from the health center perspective,

00:02:31.028 --> 00:02:35.660
is actually conversations about the impact of the Medicaid pharmacy benefit

00:02:35.967 --> 00:02:39.463
and how important it was to keeping that in managed care

00:02:39.887 --> 00:02:44.070
and explaining the impact of 340B in keeping that in managed care.

00:02:44.070 --> 00:02:49.770
So I would say the prior conversations hadn't so much been specific about 340B

00:02:49.770 --> 00:02:54.060
in terms of what we're experiencing, but about overall, how do we keep a health

00:02:54.060 --> 00:02:55.370
center financially whole?

00:02:55.370 --> 00:02:59.770
So they set the stage for those discussions, so it made it easier to get into

00:02:59.770 --> 00:03:06.212
them. Yeah, and we do have broad support across our legislature for health centers.

00:03:06.600 --> 00:03:10.700
And then we had some hospital partners in this as well, specifically the University

00:03:10.700 --> 00:03:14.733
of Washington, and they're a very large, prominent hospital in Washington.

00:03:15.151 --> 00:03:21.430
And they are a, you know, it's a state university, so it's a public or state hospital.

00:03:21.750 --> 00:03:24.939
And so it was helpful to not just have health centers, but actually to have

00:03:25.362 --> 00:03:29.720
hospitals, but specifically the University of Washington also championing this

00:03:29.720 --> 00:03:30.870
effort. Yeah, that's great.

00:03:31.357 --> 00:03:34.230
What kind of resistance did you guys meet going through the process?

00:03:34.630 --> 00:03:37.660
I think a lot of the resistance was just, you know, from my perspective,

00:03:37.660 --> 00:03:41.670
it felt like battling a lot of misinformation or disinformation.

00:03:42.510 --> 00:03:46.593
And then I think it was compounded by the fact that our state,

00:03:46.980 --> 00:03:49.633
like many states, is having a budget crisis right now.

00:03:50.011 --> 00:03:55.470
And so needing to, in the short session, make some reforms because our budget

00:03:55.470 --> 00:03:59.893
was in such a dire position and difficult decisions were having to be made.

00:04:00.195 --> 00:04:01.710
But during this process, how

00:04:01.710 --> 00:04:07.890

do we keep the 340B program intact and also get a win of passing a bill to

00:04:08.326 --> 00:04:13.356
to restrict the manufacturers. States aren't like Congress. They can't print

00:04:13.356 --> 00:04:15.266
money. They have to balance their budgets.

00:04:15.926 --> 00:04:20.596
Yeah. And so part of, you know, for Washington, we really, it was our contract

00:04:20.596 --> 00:04:26.188
pharmacy bill is what we call it, but it was to prohibit manufacturer restrictions on contract pharmacy.

00:04:26.560 --> 00:04:31.526
But also as part of the broader discussion was trying to keep the pharmacy benefit.

00:04:32.006 --> 00:04:36.236
In the Medicaid managed care plan because that does benefit covered entities

00:04:36.236 --> 00:04:39.666
in the state of Washington at our entity-owned pharmacies.

00:04:39.666 --> 00:04:43.286
We can't capture managed care at our contract pharmacies, but for those of us

00:04:43.286 --> 00:04:43.946
that have entity-owned.

00:04:43.946 --> 00:04:48.126
And that's challenging in a lot of states when they are having budget bills,

00:04:48.126 --> 00:04:52.956
because we're seeing a lot of states say they want to move that benefit to the

00:04:52.956 --> 00:04:57.556
state where they're applying for the rebate, and that way they're not losing out.

00:04:57.556 --> 00:05:03.006
But a lot of legislators don't understand that if you're an expansion state,

00:05:03.006 --> 00:05:05.186
most of that goes back to the feds anyway, if you do that.

00:05:05.186 --> 00:05:08.196
Yeah. And that was a huge part of the argument. You know, Washington,

00:05:08.196 --> 00:05:11.336
we know, is a very blue state, very progressive state.

00:05:11.336 --> 00:05:15.186
And so we had to talk and we've been doing this for a couple of years when we

00:05:15.186 --> 00:05:19.556
were talking about in the Medicaid managed care space and the pharmacy benefits.

00:05:19.556 --> 00:05:23.756
So this is what helped in trying to talk about that match where you can take

00:05:23.756 --> 00:05:27.276
the money and you can move it out of health care and move it to the state.

00:05:27.276 --> 00:05:32.596
But in Washington, when those rebates come back in, they go to the general fund.

00:05:32.596 --> 00:05:36.816
They don't stay in health care. And then because we are an expansion state,

00:05:36.816 --> 00:05:38.865
a lot of that money goes back to the federal government.

00:05:39.236 --> 00:05:43.086
And that was an argument in the state of Washington that for many of our lawmakers

00:05:43.086 --> 00:05:47.846
was effective in trying to keep as many federal dollars in the state as possible.

00:05:47.846 --> 00:05:50.998
And so by getting that match, that was one thing.

00:05:51.462 --> 00:05:55.195
That helped us keep the benefit in managed care, but it was part of this broader

00:05:55.195 --> 00:06:00.135
discussion where in order to get the contract pharmacy protections,

00:06:00.135 --> 00:06:04.785

to get protections under data, protections about data reporting requirements.

00:06:05.405 --> 00:06:06.965
And keeping our pharmacy benefit

00:06:06.965 --> 00:06:11.015
intact, it was all in this broader conversation about transparency.

00:06:11.015 --> 00:06:16.025
And we've seen that across the states and adding transparency requirements for

00:06:16.025 --> 00:06:20.945
340B covered entities. So I know they added that on the Washington side,

00:06:20.945 --> 00:06:24.933
but they also did something kind of unique and added some manufacturer transparency.

00:06:25.479 --> 00:06:28.165
Yeah. So, you know, for us, when we were doing this, you know,

00:06:28.165 --> 00:06:31.429
transparency is the cost of admission at this point in time.

00:06:31.684 --> 00:06:34.635
You know, and talking to some colleagues, you know, even in the state,

00:06:34.635 --> 00:06:38.551
especially when we get past the bill passing and you forget about the grand bargain.

00:06:38.951 --> 00:06:42.695
But talking to some colleagues that are, you know, concerned about the reporting

00:06:42.695 --> 00:06:46.625
and that we have to do this. but it's very important to keep in mind that that's

00:06:46.625 --> 00:06:48.709
really the cost of admission.

00:06:49.028 --> 00:06:53.075
But we really felt strongly that transparency reporting shouldn't just be on

00:06:53.075 --> 00:06:57.465
the covered entities, that manufacturers should also have to report.

00:06:57.465 --> 00:07:01.780
Katie Grant- Particularly since the manufacturers are the ones who have been demanding,

00:07:02.257 --> 00:07:06.928
transparency for so long, you know, covered entities are happy to be transparent

00:07:06.928 --> 00:07:11.528
and health centers particularly have been reporting a lot of this information,

00:07:12.368 --> 00:07:14.631
for a very long time through UDS.

00:07:15.528 --> 00:07:20.652
So having transparency equity from the manufacturers is important as well.

00:07:20.803 --> 00:07:24.298
Yeah. And when we first started talking about the manufacturer transparency,

00:07:24.298 --> 00:07:29.298
the first part was having manufacturers report the amount of the discounts that

00:07:29.298 --> 00:07:30.808
they gave in the state of Washington.

00:07:30.808 --> 00:07:36.328
And as we were having conversations just as a group of interested parties on

00:07:36.328 --> 00:07:39.748
the covered entity side, and we were talking about that, I thought,

00:07:39.748 --> 00:07:42.348
well, that's great to tell how,

00:07:42.848 --> 00:07:46.708
you know, sure, have the manufacturers say the volume of the discounts.

00:07:46.708 --> 00:07:50.588
But one thing that we have to keep in mind with the 340B program is some of

00:07:50.588 --> 00:07:54.550
the discounts are so steep because of the inflationary penalties.

00:07:54.777 --> 00:08:00.608

And that inflationary penalty is because of manufacturers raising their prices faster than inflation.

00:08:01.008 --> 00:08:03.858
And so that was one thing in that conversation that I had said,

00:08:03.858 --> 00:08:08.208
if we're going to do this, let's also have a separate line that says the amount

00:08:08.208 --> 00:08:11.287
of that discount that's attributable to the inflationary penalty.

00:08:11.716 --> 00:08:16.198
And I think that's really important when we start talking about transparency. Context around it.

00:08:16.198 --> 00:08:21.298
Yeah. And separating, yes, they gave very large discounts, but it's much more

00:08:21.298 --> 00:08:26.388
than the 23% that would be average because of the impact,

00:08:26.948 --> 00:08:31.763
A couple years ago, I saw a manufacturer of an insulin talking about how they're

00:08:32.105 --> 00:08:36.028
giving penny discounts like they're doing it out of the goodness of their heart.

00:08:36.108 --> 00:08:41.148
And the public doesn't understand that that's because they raise their prices too fast.

00:08:41.960 --> 00:08:45.798
Yeah. And we've seen the market correct some and we don't have,

00:08:45.798 --> 00:08:49.868
you know, the list price of insulins have come down and we have lost some of

00:08:49.868 --> 00:08:52.978
those penny prices on insulins. And so that's really, you know,

00:08:52.978 --> 00:08:56.037
the market correcting and the formula changing.

00:08:56.356 --> 00:09:02.631
But so that's part of the broader conversation when thinking about a bill and passing legislation.

00:09:03.322 --> 00:09:06.986
Being part of that conversation, but I think having subject matter experts.

00:09:07.323 --> 00:09:10.880
And so we had, of course, you know, our policy people, both at the Hospital

00:09:10.880 --> 00:09:14.850
Association and our State Primary Care Association.

00:09:15.150 --> 00:09:18.656
And we also had involvement from the Washington State Pharmacy Association.

00:09:19.431 --> 00:09:26.237
And then having subject matter experts. So Simona Dasgupta works at the University of Washington.

00:09:26.481 --> 00:09:30.480
She was my hospital partner, really, in this group of people that came together

00:09:30.480 --> 00:09:32.878
to lend some subject matter expertise.

00:09:33.278 --> 00:09:37.270
And I think that's really important when you're passing a bill that you need

00:09:37.270 --> 00:09:41.713
the people to understand your political landscape and have the relationships with your lawmakers.

00:09:42.050 --> 00:09:47.440
But you also have to have the subject matter experts because little words or

00:09:47.440 --> 00:09:51.200
little things can matter and you need people as you're looking at amendments

00:09:51.200 --> 00:09:52.370
or different language coming in.

00:09:52.730 --> 00:09:57.380
Clearly it paid off. I know a lot of the previous laws, state laws that have

00:09:57.380 --> 00:10:04.232
been passed have had varying levels of recognition from manufacturers.

00:10:04.540 --> 00:10:10.390
And the Washington law specifically has been quite readily recognized by manufacturers.

00:10:10.390 --> 00:10:17.790
So we've had a lot of the manufacturers pretty quickly exempt the covered entities

00:10:17.790 --> 00:10:23.070
in the state of Washington from their policies, not just from designations,

00:10:23.070 --> 00:10:24.902
but from data requirements as well.

00:10:25.227 --> 00:10:29.110
And many of those exemptions are not just for contract pharmacies within the

00:10:29.110 --> 00:10:33.730
state of Washington, but for contract pharmacies across the country, which.

00:10:34.215 --> 00:10:38.830
Is pretty impactful and pretty monumental comparatively to what we've seen with,

00:10:38.830 --> 00:10:41.001
you know, with some other state laws.

00:10:41.378 --> 00:10:46.712
We've seen some other states recently trying to, you know, push their own laws forward.

00:10:47.066 --> 00:10:51.200
I didn't know if you wanted to, we wanted to kind of close out touching on some

00:10:51.200 --> 00:10:56.470
of the work that's being done in other states right now and what that progress

00:10:56.470 --> 00:10:59.245
looks like. Any tips you would have around what.

00:10:59.815 --> 00:11:05.726
I guess, from my perception, what arguments that you've really came up against

00:11:05.987 --> 00:11:09.761
and how you address those? Because it seems like a lot of the arguments go state

00:11:09.761 --> 00:11:12.524

to state. We see the same stuff coming up all over. Yeah.

00:11:12.814 --> 00:11:15.971
I think, you know, Washington being a blue state and a strong union state,

00:11:15.971 --> 00:11:20.481
one thing that we faced was the pharmaceutical manufacturers going to the unions

00:11:20.481 --> 00:11:24.389
and saying, if this bill passes, this is going to raise your health care costs

00:11:24.598 --> 00:11:26.926
because you're going to lose out on the rebates.

00:11:27.205 --> 00:11:32.501
And that's really difficult messaging to fight, but it was really important,

00:11:32.501 --> 00:11:36.082
especially in those scenarios or when we would be providing testimony,

00:11:36.402 --> 00:11:38.021
if a lawmaker asked about that,

00:11:38.789 --> 00:11:43.581
Our strategy was just to state the fact and not get into the details of that,

00:11:43.581 --> 00:11:48.421
of really pointing to the statute. And the 3-4-2-B statute only has a requirement

00:11:48.421 --> 00:11:51.993
to prevent a duplicate discount with Medicaid. That's the limit of the statute.

00:11:52.487 --> 00:11:56.585
And not opining further on that because that's not what we need to do.

00:11:56.922 --> 00:12:01.537
So I would say in terms of advice to others, you know, definitely know your state.

00:12:02.471 --> 00:12:05.861
Know the landscape. Understand what's happening.

00:12:05.861 --> 00:12:12.341
Yeah. And know what the views are in terms of the state legislature,

00:12:12.341 --> 00:12:15.841
because we even have a lot of Democrats, but they're a little skeptical of the

00:12:15.841 --> 00:12:18.231
program because they've only heard negative stories.

00:12:18.231 --> 00:12:22.701
And so just because, you know, sometimes we get into this red-blue kind of argument,

00:12:22.701 --> 00:12:24.883
but I didn't find that to be the case in Washington.

00:12:25.671 --> 00:12:30.031
So my big advice would just be to really know your state and know what the perceptions

00:12:30.031 --> 00:12:33.370
are and know your program and be able to speak to your program.

00:12:34.247 --> 00:12:37.711
And hopefully at the end of the day, that's enough to beat back some of the

00:12:37.711 --> 00:12:38.921
misinformation that's out there.

00:12:38.921 --> 00:12:45.671
Yeah, I think 340B is more than bipartisan. It's apartisan, but there's a message

00:12:45.671 --> 00:12:49.688
for everyone, but that message might be tweaked depending on who you're talking to.

00:12:49.879 --> 00:12:53.635
You're going to focus on different parts, different pros of the program,

00:12:53.897 --> 00:12:57.071
depending on whether you're talking to someone very conservative,

00:12:57.071 --> 00:12:58.912
very liberal, or somewhere in between.

00:12:59.229 --> 00:13:02.831
There's a message for all. It's just knowing your audience. Thanks so much for

00:13:02.831 --> 00:13:06.168
joining us today. I really appreciate you sharing your insights. Thanks for having me.