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January 26th, 2022

Senator Annette Cleveland, Committee Chair Washington State Senate Health Policy and Human Services Committee 220 John A. Cherberg Building P.O. Box 40449 Olympia, WA 98504 **Re: Patient Group Concerns about SB 5532**

Dear Chairwoman Cleveland,

The Global Healthy Living Foundation (GHLF) is a 501(c)(3) patient advocacy group that works to improve the quality of life for people with chronic disease. GHLF represents thousands of chronically ill patients in Washington and millions across the U.S.

Our patient community is one of many that relies on high-cost medical treatments to live daily life with a manageable level of pain. We are constantly searching for new legislative reforms that can benefit patients and reduce their high costs. While we are encouraged by the intention behind SB 5532, which would create a drug pricing review board that would have the power to set threshold limits for how much pharma companies can charge for medications that fit specific criteria, we have some concerns about the creation of, and intentions behind, this review board. We are troubled because similar such boards in other jurisdictions are generally not well represented by diverse populations and patient communities. We hope SB 5532 contains a strong diverse patient voice. Boards also regularly lack technical expertise and are very often politically driven. We believe that pharma companies should publicly explain their pricing decisions, specifically the price they set for their medicines upon launch of the drug. This does not mean using buzz words like "value" or "competition" but rather an analytical model of how they came up with the price. This discussion should also include the billions of dollars in concessions and fees they provide to insurers, PBMs, and the government that is currently unaccounted for. These concessions DO NOT end up in the pocket of patients or significantly reduce patient costs, but rather they are used as profits by insurers and PBMs, or for budgetary reasons by the government when they have unfunded non-healthcare related initiatives. There needs to be a greater accounting for these fees and how they impact pricing decisions by pharma companies.

We hope that during further discussions about this bill in committee the discourse focuses more on how to better ensure these fees go towards reducing the cost of medications, rather than focusing on limiting what price can be charged. Thank you for your work to improve the lives and health of Washington residents.

Sincerely,

Corey Greenblatt, MPH Manager of Policy and Advocacy