

Testimony
Senate Bill 2224 - Department of Human Services
Senate Human Services Committee
Senator Judy Lee, Chairman

January 25, 2021

Chairman Lee and members of the Human Services Committee, I am Brendan Joyce, the pharmacy administrator for the Department of Human Services (Department). I appear today to provide testimony on Senate Bill 2224.

The Department does have the ability to pay for the products that are not drugs if directed by the 2021 legislature. Please note that with covered outpatient drugs, Medicaid is protected from pricing issues through the Medicaid Drug Rebate Program which ensures that all products meet FDA requirements, Medicaid receives the best pricing offered to any payer, and inflation is limited to the consumer price index. Also, there is federal pricing applied to essentially all covered outpatient drugs to equalize pricing across the nation. There are none of the above protections for the products that are the subject of SB 2224.

The fiscal note for this bill was prepared based on information provided to DHS by the Department of Health. With this information, the Department made the following presumptions when preparing the fiscal note:

- Coverage would be limited to recipients under the age of 18,
- Products would be limited to hydroxocobalamin, thiamine, riboflavin, and biotin
- The Department would have the ability to work with DoH to select cost effective products for coverage

Any changes to the above presumptions would require a modified fiscal note.

This concludes my testimony, and I am happy to answer any questions you may have.