

State Plans to Lower Prescription Drug Prices, Increase Transparency, Protect Consumers

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<http://newiproggressive.com/images/stories/S5/diabetes-insulin-s438.jpg>



Governor proposes capping insulin copays, establishing the Office of Prescription Drug Affordability and Prescription Drug Affordability Review Board

MADISON — Gov. Tony Evers today highlighted initiatives in his 2023-25 biennial budget that aim to lower prescription drug prices, including capping the cost of insulin, increase transparency in the drug supply chain and pharmaceutical industry, and protect Wisconsin consumers.



“No Wisconsinite should have to choose between paying bills and putting food on the table or getting their life-saving medications—access to healthcare and picking up basic prescriptions or insulin shouldn’t break the bank,” said Gov. Evers. “We need to increase transparency in the prescription drug supply chain and industry, reduce prices wherever we can, and help protect consumers from outrageous, irrational, and burdensome out-of-pocket expenses, and that’s what our plan aims to do.”

Gov. Evers’ budget investments build on his previous efforts to increase access and

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affordability of prescription medicine and protect consumers. In 2019, Gov. Evers created the [Governor's Task Force on Reducing Prescription Drug Prices](#)

, and in his 2021-23 biennial budget proposal, he included several provisions that built on the work of that task force that were, unfortunately, rejected by Republicans in the Legislature. A few months later, he joined Legislative Democrats to again introduce these provisions as part of a

[“Less for Rx” legislative package](#)

. Again, Republicans in the Legislature refused to act to pass these bills, leaving Wisconsin consumers with little support or protection from outrageous and unreasonable prescription drug prices.

More information regarding the governor's 2023-25 biennial budget proposals to lower prescription drug prices, increase transparency, and protect consumers is available below. Gov. Evers recommends:

Lowering Prices and Controlling Costs

- Establishing a Prescription Drug Affordability Review Board to oversee the pharmaceutical industry and drug market, analyze other state and national drug policies and practices, establish spending limits for public sector entities, and set price ceilings to limit price-gouging of prescription drugs;
- Creating a Prescription Drug Importation Program that would allow the state to import drugs that would create substantial savings for Wisconsin consumers and taxpayers;
- Directing the Office of the Commissioner of Insurance to study the creation of a state prescription drug purchasing entity;
- Ending discriminatory reimbursement practices toward federal 340B drug discount programs; and
- Under certain circumstances, requiring insurers to apply discounts and coupons utilized by consumers to deductibles and annual out-of-pocket maximums.

Ensuring Access for Wisconsin's Most Vulnerable

- Establishing a \$35 copay cap on insulin to ensure insulin is affordable for all Wisconsinites;
- Creating an Insulin Safety Net Program to ensure folks never need to choose between rationing insulin and meeting other basic needs;
- Establishing an innovative pilot program aimed at developing a value-based formulary for diabetes medication;

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- Fully funding the Wisconsin Healthcare Stability Plan to stabilize the individual healthcare market and lower premiums for Wisconsinites and providing \$460 million over the biennium to reinsure high-cost individuals across all health insurance exchanges;
- Providing 10 full-time positions and \$5.2 million over the biennium to establish a state-based health insurance marketplace by plan year 2026;
- Providing \$2 million over the biennium to study and develop a public option health insurance plan to be offered alongside other plans on the individual health insurance marketplace; and
- Establish parity provisions to ensure patients utilizing telehealth services are not charged or have their services limited any more than if they received an equivalent in-person service to increase the availability and affordability of telehealth services.

Increasing Transparency and Protecting Consumers

- Providing 16 full-time positions and \$3.9 million over the biennium to establish the Office of Prescription Drug Affordability to oversee the prescription drug regulatory provisions enacted under this budget and further analyze and develop policy initiatives to continue reducing prescription drug costs;
- Licensing and regulating entities involved in the prescription drug supply chain;
- Requiring pharmacy benefit managers to owe a fiduciary duty to insurers and other payers they contract with when using their discretion to spend plan assets;
- Regulating the initial and aggregate plan duration for short-term, limited-duration health insurance plans, also known as junk insurance plans, from 12 months to three months and from 18 months to six months, respectively;
- Codifying the federal No Surprises Act, which created protections for insured individuals against balance billing, also known as surprise billing, and creating additional protections for those receiving emergency services during a mental health crisis;
- Codifying the various health insurance issuance and coverage protections included in the federal Affordable Care Act, such as prohibiting the denial of coverage based on preexisting medical conditions; and
- Requiring health insurance plans offered in the state to cover services provided by substance use disorder counselors and qualified treatment trainees if those services are covered under the plan by any other providers, and to cover infertility and standard fertility preservation services.