**From:** Aborjaily, Amerin [mailto:Amerin.Aborjaily@vermont.gov]

Sent: Monday, April 02, 2018 7:50 PM

To: William Lippert

Cc: Gustafson, Cory; Costa, Michael; Hogue, Nancy; Loring Starr

**Subject:** RE: DVHA request - drug transparency report

Yes, you are correct that the list was comprised of ten drugs rather than 15 to make it more manageable in year one. It was decided between AGO-Jill Abrams, GMCB-Susan Barrett and DVHA-Nancy Hogue, that ten was a "do-able" number, mostly driven by the AGO's ability to communicate and collect info on multiple manufacturers. As the statute says "up to", the group decided that ten was a reasonable number for the first year. When it was very hard to collect the data in the first year, the group decided to leave it at ten for another year.

A couple of additional considerations about this statute:

- We are aware that AGO would like more time (delayed delivery date) to get what they need from pharma and create the report – we have no objection to extending the delivery date.
- We are aware that AGO raised the idea of possibly moving away from using the wholesale acquisition cost (WAC) language in the statute. If the Committee is interested in the cost of pharmaceuticals to the State specifically, as opposed to drug cost increases generally, our suggestion would be to use the phrase "cost to the Department of Vermont Health Access" rather than the WAC language. By using the WAC language, the drugs that make the list are not necessarily drugs for which Medicaid has significant utilization (and therefore cost). Using "cost to DVHA" language would shift the focus away from huge manufacturer price increases in general [like EpiPEN and Daraprim] to drug price increases affecting DVHA specifically.

We would be happy to discuss any of the above with the Committee or provide additional information as needed.

Best,
Amerin
Amerin Aborjaily
Health Policy and Planning Chief
Department of Vermont Health Access

From: William Lippert <WLIPPERT@leg.state.vt.us>

Sent: Thursday, March 29, 2018 5:23 PM

**To:** Aborjaily, Amerin < <u>Amerin.Aborjaily@vermont.gov</u>> **Subject:** Re: DVHA request - drug transparency report

Yes. I understand that the list was narrowed to 10 to make it more manageable in year one.

Not a big issue. Help us understand if there is any other issues.

BillSent from my iPhone. BillLippert@gmavt.net.

On Mar 29, 2018, at 5:14 PM, Aborjaily, Amerin <a href="mailto:Amerin.Aborjaily@vermont.gov">Amerin.Aborjaily@vermont.gov</a> wrote:

Hi Bill,

I just wanted to confirm that I understood your request for DVHA this morning – a brief description of why DVHA has provided a list of the 10 drugs for the drug transparency report (as opposed to 15 or some other number)? With the understanding that the Committee is considering whether to amend the statutory language of "up to 15 drugs". I meant to confirm before leaving the room but alas did not... Thank you!

Amerin Aborjaily
Health Policy and Planning Chief
Department of Vermont Health Access