

JAY INSLEE
Governor



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**DIRECTIVE OF THE GOVERNOR
18-13**

September 28, 2018

To: Washington State Executive and Small-Cabinet Agencies

From: Governor Jay Inslee

Subject: Eliminating Hepatitis C in Washington by 2030 through combined public health efforts and a new medication purchasing approach

This year, an estimated 65,000 Washingtonians are living with the chronic Hepatitis C Virus (HCV), but fortunately, we now have a cure. HCV is the leading cause of liver cancer and liver transplants. The virus also causes other health problems, including debilitating fatigue, which can significantly impact the quality of life of those affected.

HCV is the most common blood-borne disease in the United States, and in Washington, from 2012 to 2017, nearly 40,000 new cases of HCV were reported, increasing each year. And while deaths from other infectious diseases have steadily declined over the past decade, HCV-related deaths continue to rise, now exceeding all deaths from other reportable infectious conditions combined.

Newly acquired HCV-infection reports show a 126% increase in Washington between 2013 and 2017 when compared to the prior five years, an increase linked to the opioid crisis. And while the disease has historically impacted Baby Boomers (those born between 1945 and 1965), younger people are now contracting the disease with greater frequency, again related to opioid use. Ultimately, Washington's HCV-related hospitalization charges totaled \$114 million between 2010 and 2014.

Confronting the HCV crisis is challenging because many Washingtonians living with HCV do not know they are infected. So, to reach affected communities, we must make enhanced public health efforts, including efforts to improve education, preventive services, and early detection of HCV to treat and cure existing infections and curb the onward transmission of the virus.

Fortunately, we see an opportunity to take action against HCV. In 2017, the National Academies of Sciences, Engineering, and Medicine released "A National Strategy" outlining how the United States can save nearly 30,000 lives from HCV-related deaths and eliminate HCV by 2030. Moreover, medications now exist to cure HCV in nearly all people appropriately linked to, and retained in, care. HCV drugs are expensive, but we can drive down costs by applying new purchasing strategies in which state agency health care purchasers collaborate with

manufacturers in combination with using key public health interventions to reduce the costs of treating and ultimately curing HCV.

In curing HCV, we can stem the tide of liver disease and liver cancer and save individuals the physical, emotional, and financial damage caused by HCV infection. Curing this disease will also support HCV-affected persons to engage in healthy behaviors, such as accessing treatment for opioid-use disorder, general primary care, and mental health services, which will help them live full, satisfying, and productive lives. This is an important part of the opioid response plan.

Accordingly, I direct my health sub-cabinet and the health and human service state agencies under my authority to begin immediately to work with Tribal governments, local public health officials, and other partners across the state, to develop and implement a statewide HCV elimination plan. The Department of Health (DOH) shall lead the effort to develop the elimination plan as part of this comprehensive public health response. The Health Care Authority (HCA) shall lead and coordinate with DOH and other agencies and purchasers, in a corresponding effort to establish a comprehensive procurement strategy for the purchase of HCV medications that also includes financing the needed public health interventions to affordably eliminate HCV by 2030. Furthermore, I direct the following:

1. DOH, in collaboration with any other relevant state agencies that it identifies, shall convene and facilitate an HCV-elimination coordinating committee comprised of stakeholders from various sectors, including individuals personally affected by HCV. The committee shall draw on existing efforts, best practices, and community knowledge to develop, by July 2019, a comprehensive strategy to eliminate the public health threat of HCV in Washington by 2030. The strategy will address needed improvements to the public health systems to help ensure that all people living in Washington who have or are at risk for contracting HCV, have access to preventive services, know their status, and connect to care and ultimately the cure. The elimination strategy shall include a major public health communications plan financed, to the extent possible, by the funds saved through the purchasing strategy described below.
2. HCA shall collaborate with the Department of Corrections, Office of the Insurance Commissioner (OIC), Department of Labor and Industries, Department of Social and Health Services, Department of Veterans Affairs, DOH and Tribal governments, to initiate an innovative strategy to purchase curative HCV medications and ensure timely access to curative treatment for Washingtonians with HCV. Given that several state agencies each year purchase HCV treatment medications for over 4,000 people, by January 2019, HCA shall collaborate with these agencies and issue a single request for proposals for a joint value-based purchasing agreement for curative HCV medications from one or more pharmaceutical manufacturer(s). This joint purchasing agreement shall aim to reduce the costs of the drug(s) and incorporate key known public health strategies to address the needs described above.
3. HCA, in collaboration with DOH, shall request that the Centers for Medicaid and Medicare Services (CMS) enter into a shared-savings agreement for Medicare-program-cost avoidance resulting from the implementation of the state's HCV prevention and

treatment strategy. Our state program will save Medicare significant costs by not only treating people sooner, alleviating Medicare from needing to pay for HCV medications, but also the dire costs of liver disease and cancer and other health effects that would occur later in one's life while they are covered under Medicare.

4. HCA and DOH shall work with CMS, the Centers for Disease Control and Prevention, the Surgeon General, Veterans Affairs, other federal agencies, and Tribal governments to consider additional health care purchasing and disease elimination strategies, especially for rural and underserved populations—including Vietnam veterans living in rural areas—to address HCV in a cost-effective manner.
5. HCA, in collaboration with other state agencies shall, as the next phase of this plan, engage a multi-state or national organization to develop a strategy to assess the interest and ability of extending our purchasing and public health strategy to not only Washington's other major purchasers of health care and commercial insurers, but also other states or purchasers. As part of this next phase, HCA shall work with Washington's Health Benefit Exchange and OIC to explore purchasing options for the health insurance markets.
6. DOH and HCA shall also use data and information to detect cases of HCV, monitor HCV-related morbidity and mortality, monitor HCV-curative treatment access, and evaluate the impact of interventions and activities designated by this directive.
7. DOH and HCA shall develop a communications plan for this project. This communications plan shall include filing quarterly reports to my office and the health committees of the legislature to ensure the status and outcomes herein.