

**Senate File 2113 - Introduced**

SENATE FILE 2113

BY KOELKER

**A BILL FOR**

1 An Act relating to insurance coverage for prescription insulin  
2 drugs.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 514C.18A Prescription insulin drugs  
— coverage.

3 1. As used in this section, unless the context otherwise  
4 requires:

5 a. "*Cost-sharing*" means any coverage limit, copayment,  
6 coinsurance, deductible, or other out-of-pocket expense  
7 obligation imposed on a covered person by a policy, contract,  
8 or plan providing for third-party payment or prepayment of  
9 health or medical expenses.

10 b. "*Covered person*" means a policyholder, subscriber, or  
11 other person participating in a policy, contract, or plan that  
12 provides for third-party payment or prepayment of health or  
13 medical expenses.

14 c. "*Health care professional*" means the same as defined in  
15 section 514J.102.

16 d. "*Prescription insulin drug*" means a prescription drug  
17 that contains insulin, is used to treat diabetes, and that has  
18 been prescribed as medically necessary by a covered person's  
19 health care professional.

20 2. Notwithstanding the uniformity of treatment requirements  
21 of section 514C.6, a policy, contract, or plan providing  
22 for third-party payment or prepayment of health or medical  
23 expenses that provides coverage for prescription drugs shall  
24 cap the total amount of cost-sharing that a covered person is  
25 required to pay for a prescription insulin drug to an amount  
26 not to exceed one hundred dollars per thirty-day supply of the  
27 prescription insulin drug, regardless of the amount or type of  
28 prescription insulin drug required to fill the covered person's  
29 prescription.

30 3. Nothing in this section shall be construed to prohibit  
31 a policy, contract, or plan providing for third-party payment  
32 or prepayment of health or medical expenses from reducing a  
33 covered person's cost-sharing obligation by an amount greater  
34 than the amount specified pursuant to subsection 2.

35 4. a. This section shall apply to the following classes

1 of third-party payment provider contracts, policies, or plans  
2 delivered, issued for delivery, continued, or renewed in this  
3 state on or after January 1, 2021:

4 (1) Individual or group accident and sickness insurance  
5 providing coverage on an expense-incurred basis.

6 (2) An individual or group hospital or medical service  
7 contract issued pursuant to chapter 509, 514, or 514A.

8 (3) An individual or group health maintenance organization  
9 contract regulated under chapter 514B.

10 (4) A plan established for public employees pursuant to  
11 chapter 509A.

12 b. This section shall not apply to accident-only, specified  
13 disease, short-term hospital or medical, hospital confinement  
14 indemnity, credit, dental, vision, Medicare supplement,  
15 long-term care, basic hospital and medical-surgical expense  
16 coverage as defined by the commissioner of insurance,  
17 disability income insurance coverage, coverage issued as a  
18 supplement to liability insurance, workers' compensation or  
19 similar insurance, or automobile medical payment insurance.

20 5. The commissioner of insurance shall adopt rules pursuant  
21 to chapter 17A to administer this section.

22 EXPLANATION

23 The inclusion of this explanation does not constitute agreement with  
24 the explanation's substance by the members of the general assembly.

25 This bill relates to prescription insulin drugs and coverage  
26 by policies, contracts, or plans providing for third-party  
27 payment or prepayment of health or medical expenses that  
28 provide coverage for prescription drugs.

29 The bill requires a policy, contract, or plan providing for  
30 third-party payment or prepayment of health or medical expenses  
31 that provides coverage for prescription drugs to cap the total  
32 amount of cost-sharing that a covered person is required to  
33 pay for a prescription insulin drug to an amount not more than  
34 \$100 for a 30-day supply, regardless of the amount or type of  
35 prescription insulin drug required to fill the covered person's

1 prescription. "Prescription insulin drug" is defined in the  
2 bill as a prescription drug that contains insulin, is used  
3 to treat diabetes, and that has been prescribed as medically  
4 necessary by a covered person's health care professional. The  
5 bill defines "cost-sharing" as any coverage limit, copayment,  
6 coinsurance, deductible, or other out-of-pocket expense imposed  
7 on a covered person.

8 The bill does not prohibit a policy, contract, or plan  
9 providing for third-party payment or prepayment of health or  
10 medical expenses from reducing a covered person's cost-sharing  
11 to less than \$100 for a 30-day supply of a prescription insulin  
12 drug.

13 The bill applies to third-party payment provider contracts,  
14 policies, or plans delivered, issued for delivery, continued,  
15 or renewed in this state on or after January 1, 2021, by the  
16 third-party payment providers enumerated in the bill.

17 The bill specifies the types of specialized health-related  
18 insurance which are not subject to the coverage requirements  
19 of the bill.

20 The commissioner of insurance is required to adopt rules to  
21 administer the requirements of the bill.