

House Study Bill 50 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
HUMAN RESOURCES BILL BY
CHAIRPERSON MEYER)

A BILL FOR

1 An Act relating to insurance coverage for prescription insulin
2 drugs, and including applicability provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 514C.18A Prescription insulin drugs
2 — 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, that has been
18 prescribed as medically necessary by a covered person's health
19 care professional, and is a benefit covered by the covered
20 person's policy, contract, or plan.

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

29 a. Rapid-acting prescription insulin drugs.

30 b. Short-acting prescription insulin drugs.

31 c. Intermediate-acting prescription insulin drugs.

32 d. Long-acting prescription insulin drugs.

33 3. Nothing in this section shall be construed to prohibit
34 a policy, contract, or plan providing for third-party payment
35 or prepayment of health or medical expenses from reducing a

1 covered person's cost-sharing obligation by an amount greater
2 than the amount specified pursuant to subsection 2.

3 4. a. This section shall apply to the following classes of
4 third-party payment provider contracts, policies, or plans:

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

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

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

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

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

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

23 Sec. 2. APPLICABILITY. This Act applies to third-party
24 payment provider contracts, policies, or plans delivered,
25 issued for delivery, continued, or renewed in this state on or
26 after January 1, 2022.

27

EXPLANATION

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

30 This bill relates to prescription insulin drugs and coverage
31 by policies, contracts, or plans providing for third-party
32 payment or prepayment of health or medical expenses that
33 provide coverage for prescription drugs.

34 The bill requires a policy, contract, or plan providing
35 for third-party payment or prepayment of health or medical

1 expenses that provides coverage for prescription drugs to
2 cap the total amount of cost-sharing that a covered person
3 is required to pay per prescription filled to an amount not
4 to exceed \$100 for up to a 31-day supply of at least one
5 type of each of rapid-acting prescription insulin drugs,
6 short-acting prescription insulin drugs, intermediate-acting
7 prescription insulin drugs, or long-acting prescription insulin
8 drugs. "Prescription insulin drug" is defined in the bill as
9 a prescription drug that contains insulin, is used to treat
10 diabetes, has been prescribed as medically necessary by a
11 covered person's health care professional, and is a benefit
12 covered by a covered person's policy, contract, or plan. The
13 bill defines "cost-sharing" as any coverage limit, copayment,
14 coinsurance, deductible, or other out-of-pocket expense imposed
15 on a covered person.

16 The bill does not prohibit a policy, contract, or plan
17 providing for third-party payment or prepayment of health or
18 medical expenses from reducing a covered person's cost-sharing
19 to less than \$100 for a 31-day supply of a prescription insulin
20 drug.

21 The bill applies to third-party payment provider contracts,
22 policies, or plans delivered, issued for delivery, continued,
23 or renewed in this state on or after January 1, 2022, by the
24 third-party payment providers enumerated in the bill.

25 The bill specifies the types of specialized health-related
26 insurance which are not subject to the coverage requirements
27 of the bill.

28 The commissioner of insurance may adopt rules to administer
29 the requirements of the bill.