

**House File 502 - Introduced**

HOUSE FILE 502

BY TUREK

**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  
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  
4 of third-party payment provider contracts, policies, or plans  
5 delivered, issued for delivery, continued, or renewed in this  
6 state on or after January 1, 2024:

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

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

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

13 (4) A plan established for public employees pursuant to  
14 chapter 509A.

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

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

25 EXPLANATION

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

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

32 The bill requires a policy, contract, or plan providing  
33 for third-party payment or prepayment of health or medical  
34 expenses that provides coverage for prescription drugs to cap  
35 the total amount of cost-sharing that a covered person is

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

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

19 The bill applies to third-party payment provider contracts,  
20 policies, or plans delivered, issued for delivery, continued,  
21 or renewed in this state on or after January 1, 2024, by the  
22 third-party payment providers enumerated in the bill.

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

26 The commissioner of insurance may adopt rules to administer  
27 the requirements of the bill.