HOUSE FILE 2138
BY COMMITTEE ON HUMAN RESOURCES

(SUCCESSOR TO HSB 501)

(As Amended and Passed by the House March 9, 2020)

[= New Language by the House

* = Language Stricken by the House

A BILL FOR

An Act relating to insurance coverage for prescription insulin drugs.

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

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

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

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

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

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

d. "Prescription insulin drug" means a prescription drug that contains insulin, is used to treat diabetes, that has been prescribed as medically necessary by a covered person's health care professional, and is a benefit covered by the covered person's policy, contract, or plan.

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

a. Rapid-acting prescription insulin drugs.

b. Short-acting prescription insulin drugs.

c. Intermediate-acting prescription insulin drugs.

d. Long-acting prescription insulin drugs.

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

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

4. *a.* This section shall apply to the following classes of third-party payment provider contracts, policies, or plans delivered, issued for delivery, continued, or renewed in this state on or after January 1, 2021:

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

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

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

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

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

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