

Candice B. Pierucci proposes the following substitute bill:

Health Insurance Modifications

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Candice B. Pierucci

Senate Sponsor:

LONG TITLE

General Description:

This bill enacts provisions related to health insurance.

Highlighted Provisions:

This bill:

- defines terms;
- requires an insurer to calculate drug or device discount coupons on behalf of an individual towards the individual's cost sharing requirement unless certain circumstances are met;
- requires a entity that provides a drug or device discount coupon to allow the full amount of the coupon amount to be used for the drug or device; and
- provides an exception to the requirements for a qualifying health benefit plan.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

31A-22-662, Utah Code Annotated 1953

31A-48-104, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **31A-22-662** is enacted to read:

31A-22-662 . Cost sharing requirements for health benefit plans.

(1) As used in this section:

- (a)(i) "Cost sharing requirement" means any copayment, coinsurance, deductible, or annual limitation on cost sharing required by a health benefit plan for a specific

- 29 health care service covered by the health benefit plan.
- 30 (ii) "Cost sharing requirement" includes any copayment, coinsurance, deductible, or
- 31 annual limitation that is subject to 42 U.S.C. Sec. 18022(c) or 300gg-6(b).
- 32 (b) "Qualifying health benefit plan" means a health benefit plan that:
- 33 (i) allows the full value of available copay assistance to reduce the out-of-pocket
- 34 costs of an enrollee;
- 35 (ii) includes, when two or more individuals are covered, an individual maximum
- 36 out-of-pocket that is not greater than 50% of the health benefit plan's combined
- 37 total maximum out-of-pocket for family coverage;
- 38 (iii) after the deductible has been met, only requires payment by the enrollee at the
- 39 equivalent of the plan's lowest payment tier for any drug that has been subject to
- 40 copay assistance and that copay assistance has been exhausted; and
- 41 (iv) for a covered lower cost drug that an enrollee is required to take under the plan
- 42 instead of a covered higher cost drug for which copay assistance reduces the
- 43 enrollee's out-of-pocket costs to a negligible amount, the plan:
- 44 (A) only requires payment by the enrollee of the preferred drug at the equivalent
- 45 of the plan's lowest payment tier; and
- 46 (B) may share cost savings due to the lower cost drug with the enrollee, including
- 47 while the enrollee is subject to a deductible.
- 48 (2) Except as provided in Subsection (3), when calculating an enrollee's contribution to any
- 49 applicable cost sharing requirement for a covered prescription drug or device, an insurer
- 50 shall include any cost sharing amounts paid:
- 51 (a) by the enrollee; or
- 52 (b) using a drug discount coupon.
- 53 (3) An insurer may refuse to apply a drug discount coupon to an enrollee's applicable cost
- 54 sharing requirement for the drug or device that is eligible for the drug discount coupon if:
- 55 (a) the drug or device that is eligible for the drug discount coupon has:
- 56 (i) a generic alternative; or
- 57 (ii) a biological product, as defined in 42 U.S.C. Sec. 262, that:
- 58 (A) has been approved by the federal Food and Drug Administration to treat the
- 59 enrollee's condition;
- 60 (B) is not eligible for a drug discount coupon; and
- 61 (C) is subject to the health benefit plan's lowest copay tier for biologic products; or
- 62 (b) the enrollee has not obtained a necessary approval from the health benefit plan to

63 have the drug covered by the health benefit plan or has not completed the necessary
64 requirements, restrictions, or clinical criteria to obtain the approval.

65 (4) This section:

66 (a) applies to any health benefit plan entered into, amended, extended, or renewed on or
67 after July 1, 2026; and

68 (b) does not apply to a qualifying health benefit plan.

69 (5) The commissioner may make rules in accordance with Title 63G, Chapter 3, Utah
70 Administrative Rulemaking Act, to implement this section.

71 Section 2. Section **31A-48-104** is enacted to read:

72 **31A-48-104 . Drug discount coupon requirements.**

73 (1) As used in this section, "cost sharing requirement" means the same as that term is
74 defined in Section 31A-22-662.

75 (2) A pharmaceutical manufacturer or other entity that provides a drug discount coupon
76 with the expectation that the drug discount coupon will be applied toward an enrollee's
77 cost sharing requirement:

78 (a) shall allow an insurer, complying with Section 31A-22-662, to utilize the full value
79 of the drug discount coupon:

80 (i) first to reduce the enrollee's cost sharing requirement, including the enrollee's
81 maximum out-of-pocket expense, at the point of sale; and

82 (ii) for any remainder, to lower the cost of the prescription drug or device;

83 (b) shall disclose to the insurer the terms and conditions associated with the drug
84 discount coupon; and

85 (c) may not modify the terms and conditions associated with the drug discount coupon
86 on the basis that it is redeemed by an enrollee of the health benefit plan that is
87 complying with Section 31A-22-662.

88 Section 3. **Effective Date.**

89 This bill takes effect on May 7, 2025.