

DIABETES SUPPLIES AMENDMENTS

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jennifer Dailey-Provost

Senate Sponsor: _____

LONG TITLE

General Description:

This bill creates price caps for certain diabetic supplies.

Highlighted Provisions:

This bill:

- ▶ requires a health benefit plan that provides coverage for insulin pumps to cap the price of the insulin pumps;
- ▶ requires a health benefit plan that provides coverage for continuous blood glucose monitors to cap the price of the continuous blood glucose monitors; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

31A-22-626, as last amended by Laws of Utah 2020, Chapter 310

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

Section 1. Section **31A-22-626** is amended to read:

31A-22-626. Coverage of diabetes.



- 28 (1) As used in this section:
- 29 (a) "Diabetes" includes [~~individuals with~~]:
- 30 (i) complete insulin deficiency or type 1 diabetes;
- 31 (ii) insulin resistant with partial insulin deficiency or type 2 diabetes; or
- 32 (iii) elevated blood glucose levels induced by pregnancy or gestational diabetes.
- 33 (b) "High deductible health plan" means the same as that term is defined in Section
- 34 223(c)(2), Internal Revenue Code.
- 35 (c) "Lowest tier" means:
- 36 (i) the lowest cost tier of a health benefit plan;
- 37 (ii) the lowest cost-sharing level of a high deductible health plan that preserves the
- 38 enrollee's ability to claim tax exempt contributions from the enrollee's health savings account
- 39 under federal laws and regulations; or
- 40 (iii) a discount or other cost-savings program that has the effect of equating
- 41 cost-sharing of insulin to the health plan's lowest-cost tier.
- 42 (d) "Therapy category" means a type of insulin that is distinct from other types of
- 43 insulin due to a difference in onset, peak time, or duration.
- 44 (2) The commissioner shall establish, by rule, minimum standards of coverage for
- 45 diabetes for accident and health insurance policies that provide a health insurance benefit
- 46 before July 1, 2000.
- 47 (3) In making rules under Subsection (2), the commissioner shall require rules:
- 48 (a) with durational limits, amount limits, deductibles, and coinsurance for the treatment
- 49 of diabetes equitable or identical to coverage provided for the treatment of other illnesses or
- 50 diseases; and
- 51 (b) that provide coverage for:
- 52 (i) diabetes self-management training and patient management, including medical
- 53 nutrition therapy as defined by rule, provided by an accredited or certified program and referred
- 54 by an attending physician within the plan and consistent with the health plan provisions for
- 55 self-management education:
- 56 (A) recognized by the federal Centers for Medicare and Medicaid Services; or
- 57 (B) certified by the Department of Health; and
- 58 (ii) the following equipment, supplies, and appliances to treat diabetes when medically

59 necessary:

60 (A) blood glucose monitors, including ~~[those]~~ continuous blood glucose monitors and
61 blood glucose monitors for the legally blind;

62 (B) test strips for blood glucose monitors;

63 (C) visual reading urine and ketone strips;

64 (D) lancets and lancet devices;

65 (E) insulin;

66 (F) injection aides, including ~~[those]~~ injection aides that are adaptable to meet the
67 needs of the legally blind, and infusion delivery systems;

68 (G) syringes;

69 (H) prescriptive oral agents for controlling blood glucose levels; ~~[and]~~

70 (I) glucagon kits~~[-]~~; and

71 (J) insulin pumps.

72 (4) If a health benefit plan ~~[entered into or renewed on or after January 1, 2021,]~~
73 provides coverage for insulin for diabetes, the health benefit plan shall:

74 (a) cap the total amount that an insured is required to pay for at least one insulin in
75 each therapy category at an amount not to exceed \$30 per prescription of a 30-day supply of
76 insulin for the treatment of diabetes; and

77 (b) apply the cap to an insured regardless of whether the insured has met the plan's
78 deductible.

79 (5) Subsection (4) does not apply to a health benefit plan that:

80 (a) covers at least one insulin for the treatment of diabetes in each therapy category
81 under the lowest tier of drugs; and

82 (b) does not require cost-sharing other than a co-payment of an insured before the plan
83 will cover insulin at the lowest tier.

84 (6) Subsection (4) does not apply to a health benefit plan that:

85 (a) guarantees an insured that the insured will not pay more out-of-pocket for insulin
86 the insured obtains through the health benefit plan than the insured would pay to obtain insulin
87 through the discount program described in Section [49-20-421](#); and

88 (b) caps the total amount that an insured is required to pay for at least one insulin in
89 each therapy category at an amount not to exceed \$100 per prescription of a 30-day supply of

90 insulin for the treatment of diabetes.

91 (7) A health benefit plan that provides coverage for insulin may condition the coverage
92 of insulin at a cost-sharing method described in Subsection (4), (5), or (6) on:

93 (a) the insured's participation in wellness-related activities for diabetes;

94 (b) purchasing the insulin at an in-network pharmacy; or

95 (c) choosing an insulin from the lowest tier of the health benefit plan's formulary.

96 (8) The department may issue a waiver from the requirements described in Subsection
97 (4) to a health benefit plan if the health benefit plan can demonstrate to the department that the
98 plan provides an insured with substantially similar consumer cost reductions to those that result
99 from Subsections (4) and (5).

100 (9) The department shall annually adjust the caps described in Subsections (4)(a) [~~and~~],
101 (6)(b), (15)(a), and (16)(a) for inflation based on an index that reflects the change in the
102 previous year in the average wholesale price of [~~insulin sold in Utah.~~] each of the following
103 sold in Utah:

104 (a) insulin;

105 (b) insulin pumps; and

106 (c) continuous blood glucose monitors.

107 (10) The department shall annually provide the price of insulin available under the
108 discount program described in Section 49-20-421 to a health benefit plan that adopts the
109 cost-sharing method described in Subsection (6).

110 (11) A health benefit plan entered into or renewed on or after January 1, 2021, that
111 provides coverage of insulin is not required to reimburse a participant, as that term is defined in
112 Subsection 49-20-421(1), for insulin the participant obtains through the discount program
113 described in Section 49-20-421.

114 (12) The department may request information from insurers to monitor the impact of
115 the requirements of this section on insulin prices charged by pharmaceutical manufacturers.

116 (13) The department shall classify records provided in response to the request
117 described in Subsection (12) as protected records under Title 63G, Chapter 2, Government
118 Records Access and Management Act.

119 (14) The department may not publish information submitted in response to the request
120 described in Subsection (12) in a manner that:

- 121 (a) makes a specific submission from a contracting insurer identifiable; or
- 122 (b) discloses information that is a trade secret, as defined in Section 13-24-2.
- 123 (15) If a health benefit plan, entered into or renewed on or after January 1, 2023,
- 124 provides coverage for an insulin pump for diabetes, the health benefit plan shall:
- 125 (a) cap the total amount that an insured is required to pay for an insulin pump at an
- 126 amount not to exceed \$100; and
- 127 (b) apply the cap to an insured regardless of whether the insured has met the health
- 128 benefit plan's deductible.
- 129 (16) If a health benefit plan, entered into or renewed on or after January 1, 2023,
- 130 provides coverage for a continuous blood glucose monitor for diabetes, the health benefit plan
- 131 shall:
- 132 (a) cap the total amount that an insured is required to pay for a continuous blood
- 133 glucose monitor at an amount not to exceed \$40; and
- 134 (b) apply the cap to an insured regardless of whether the insured has met the health
- 135 benefit plan's deductible.