LEGISLATIVE GENERAL COUNSEL
₵ Approved for Filing: D.M. Cheung ₵
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S.B. 139
1st Sub. (Green)

Senator Evan J. Vickers proposes the following substitute bill:

PRESCRIPTION COST AMENDMENTS

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Evan J. Vickers

House Sponsor: _____

LONG TITLE

General Description:

This bill enacts provisions relating to cost sharing for certain prescription drugs.

Highlighted Provisions:

This bill:

- prohibits a health benefit plan from excluding payments made on behalf of an insured when determining whether the insured has satisfied the plan's cost sharing requirements.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

31A-22-657, Utah Code Annotated 1953

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

Section 1. Section **31A-22-657** is enacted to read:

31A-22-657. Application of certain payments made on behalf of an insured to cost

sharing requirements.

(1) As used in this section:

(a) (i) "Cost sharing requirement" means copayments, coinsurance, deductibles, and other requirements for payment an insured is required to make under the provisions of a health benefit plan.

(ii) "Cost sharing requirement" does not include premiums.

(b) "Generic equivalent" means a drug product that is designated in the Approved Drug Products with Therapeutic Equivalence Evaluations prepared by the Center for Drug Evaluation and Research of the United States Food and Drug Administration as:

(i) the therapeutic equivalent of another drug product; and

(ii) an "A" rated drug product.

(c) "Manufacturer" means the same as that term is defined in Section 31A-48-102.

(d) "Qualified prescription drug" means a prescription drug, as defined in Section 58-17b-102, that is covered by the insurer under the insured's health benefit plan and for which:

(i) there is no generic equivalent or interchangeable biological product, as defined in Section 58-17b-605.5;

(ii) there is no covered drug in the same therapeutic class used to treat the insured's condition that is preferred under a formulary for the insured's health benefit plan; or

(iii) if applicable to the prescription drug under the insured's health benefit plan, the insured has:

(A) received preauthorization from the health benefit plan for the prescription drug in accordance with Section 31A-22-650;

(B) completed the health benefit plan's step therapy protocol or other utilization management requirement for the prescription drug; or

(C) received authorization for the prescription drug as the result of an internal or independent review in accordance with Section 31A-22-629.

(2) For a plan entered into or renewed on or after January 1, 2023, when determining whether an insured has satisfied a health benefit plan's cost sharing requirement, the health benefit plan may not exclude payments made on behalf of the insured for a qualified prescription drug.

(3) Notwithstanding Subsection (2), if application of Subsection (2) would result in

health savings account ineligibility under 26 U.S.C. Sec. 223, payments made on behalf of an insured for a qualified prescription drug that is not preventive care under 26 U.S.C. Sec. 223(c)(2)(C) shall apply to the insured's health savings account-qualified high deductible health plan cost sharing requirement only after the insured has satisfied the health benefit plan's deductible.