

1 **PRESCRIPTION DISCOUNT PROGRAM AMENDMENTS**

2 2023 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Raymond P. Ward**

5 Senate Sponsor: Michael S. Kennedy

7 **LONG TITLE**

8 **General Description:**

9 This bill allows the Public Employees' Benefit and Insurance Program (program) to add
10 additional drugs to the prescription discount program.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ modifies definitions;
- 14 ▶ allows the Public Employees' Benefit and Insurance Program to add additional
15 drugs to the prescription discount program;
- 16 ▶ requires the program to notify the Legislature when an additional drug is added to
17 the program; and
- 18 ▶ makes technical changes.

19 **Money Appropriated in this Bill:**

20 None

21 **Other Special Clauses:**

22 None

23 **Utah Code Sections Affected:**

24 AMENDS:

25 **49-20-421**, as last amended by Laws of Utah 2021, Chapter 255

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

28 Section 1. Section **49-20-421** is amended to read:

29 **49-20-421. Prescription discount program.**

30 (1) As used in this section:

31 [~~(a) "Diabetes" means:~~]

32 [~~(i) complete insulin deficiency or type 1 diabetes;~~]

33 [~~(ii) insulin resistant with partial insulin deficiency or type 2 diabetes; or~~]

34 [~~(iii) elevated blood glucose levels induced by pregnancy or gestational diabetes.~~]

35 [~~(b)~~] (a) "Discount program" means [a process developed by the program that allows
36 participants to purchase a qualified prescription at a discounted, post-rebate rate] the
37 prescription discount program created by this section.

38 [~~(c)~~] (b) "Epinephrine auto-injector" means the same as that term is defined in Section
39 26-41-102.

40 [~~(d) "Individual with diabetes" means an individual who has been diagnosed with~~
41 ~~diabetes and who uses insulin to treat diabetes.~~]

42 [~~(e)~~] (c) "Insulin" means a prescription drug that contains insulin.

43 [~~(f)~~] (d) "Participant" means a resident of Utah who:

44 (i) [~~has a qualified condition~~] has a prescription or standing prescription for a qualified
45 prescription;

46 (ii) does not receive health coverage under the program; and

47 (iii) enrolls in the discount program.

48 [~~(g)~~] (e) "Prescription drug" means the same as that term is defined in Section
49 58-17b-102.

50 [~~(h) "Qualified condition" means the individual:~~]

51 [~~(i) uses insulin to treat diabetes; or~~]

52 [~~(ii) has a prescription or a standing prescription drug order for an epinephrine~~
53 ~~auto-injector issued under Section 58-17b-1005.~~]

54 [~~(i) "Qualified prescription" means:~~]

55 [~~(i) insulin; or~~]

56 [~~(ii) epinephrine auto-injector.~~]

57 (f) "Qualified prescription" means a prescription drug, including insulin and

58 epinephrine auto-injectors, that the program has determined:

59 (i) treats a serious, prevalent, and ongoing condition;

60 (ii) does not have a generic substitute;

61 (iii) qualifies for a substantial rebate; and

62 (iv) would not result in financial losses to the state risk pool if sold as part of the
63 discount program.

64 [(j)] (g) "Rebate" means the same as that term is defined in Section 31A-46-102.

65 (2) [Notwithstanding Subsection 49-20-201(1), and for the purpose of the discount
66 program only, the program shall offer a discount program that allows participants to purchase a
67 qualified prescription at a discounted, post-rebate price when a rebate is available.] The
68 program shall create a prescription discount program for a participant to purchase a qualified
69 prescription at a discounted, post-rebate price.

70 (3) The [discount] program [described in Subsection (2)] shall:

71 (a) provide a participant with a card or electronic document that identifies the
72 participant as eligible for the discount on a qualified prescription [related to the participant's
73 qualified condition];

74 (b) provide a participant with information about pharmacies that will honor the
75 discount; and

76 [(c) allow a participant to purchase a qualified prescription at a discounted, post-rebate
77 price; and]

78 [(d)] (c) provide a participant with instructions to pursue a reimbursement of the
79 purchase price from the participant's health insurer.

80 [(4) The discount program shall charge a price for a qualified prescription that allows
81 the program to retain only enough of any rebate for the qualified prescription to make the state
82 risk pool whole for providing a discounted qualified prescription to participants.]

83 (4) The program may not retain any amount of a rebate for a qualified prescription
84 except for an amount necessary to make the state risk pool whole for providing the qualified
85 prescription to participants.

86 (5) For each drug added to the discount program, the program shall notify the Health
87 and Human Services Interim Committee, providing:
88 (a) the name of the drug; and
89 (b) the primary condition the drug treats.