

PROPOSED AMENDMENT

HB 1332 # 4

DIGEST

Group prescription drug rebates. Requires an insurer to do one of the following: (1) Apply 100% of the rebates to reduce premiums for all covered individuals equally. (2) Calculate defined cost sharing for a covered individual at the point of sale based on the price that is reduced by an amount equal to at least 85% of all rebates received by the insurer concerning the dispensing or administration of the covered individual's prescription drugs. Repeals a provision allowing an insurer to provide plan sponsors the option of calculating defined cost sharing for covered individuals of the plan sponsor at the point of sale. Makes corresponding change to the provision concerning the disclosure of certain information by an insurer to a plan sponsor.

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- 1 Page 22, between lines 20 and 21, begin a new paragraph and insert:
2 "SECTION 11. IC 27-1-50-8, AS ADDED BY P.L.166-2023,
3 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2024]: Sec. 8. An insurer shall ~~pass through to a plan sponsor~~
5 ~~one hundred percent (100%) of all rebates concerning the dispensing~~
6 ~~or administration of prescription drugs to the covered individuals of the~~
7 ~~plan sponsor. do one (1) of the following:~~
8 **(1) Apply one hundred percent (100%) of the rebates to**
9 **reduce premiums for all covered individuals equally.**
10 **(2) Calculate defined cost sharing for a covered individual at**
11 **the point of sale based on the price that is reduced by an**
12 **amount equal to at least eighty-five percent (85%) of all**
13 **rebates received by the insurer concerning the dispensing or**
14 **administration of the covered individual's prescription drugs.**
15 SECTION 12. IC 27-1-50-9 IS REPEALED [EFFECTIVE JULY 1,
16 2024]. ~~Sec. 9: At the time of contracting, an insurer shall provide plan~~
17 ~~sponsors the option of calculating defined cost sharing for covered~~
18 ~~individuals of the plan sponsor at the point of sale based on a price that~~
19 ~~is reduced by some or all of the rebates received or estimated to be~~
20 ~~received by the insurer concerning the dispensing or administration of~~
21 ~~the prescription drug.~~
22 SECTION 13. IC 27-1-50-11, AS ADDED BY P.L.166-2023,
23 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 JULY 1, 2024]; Sec. 11. An insurer shall disclose the following
 2 information to a plan sponsor on at least an annual basis:

3 (1) The approximate amount of rebates expected to be received by
 4 the insurer concerning the dispensing or administration of
 5 prescription drugs to the covered individuals of the plan sponsor.

6 (2) An explanation that the ~~plan sponsor may choose to:~~ **insurer**
 7 **is either:**

8 (A) ~~apply the rebates to reduce premiums for all covered~~
 9 ~~individuals; or~~

10 (B) ~~calculate defined cost sharing for a covered individual at~~
 11 ~~the point of sale based on a price that is reduced by rebates~~
 12 ~~received or estimated to be received by the insurer concerning~~
 13 ~~the dispensing or administration of the covered individual's~~
 14 ~~prescription drugs.~~

15 **(A) using the rebates to reduce plan premiums, and**
 16 **identify by how much; or**

17 **(B) calculating defined cost sharing for a covered**
 18 **individual at the point of sale based on a price that is**
 19 **reduced by rebates received by the insurer concerning the**
 20 **dispensing or administration of the covered individual's**
 21 **prescription drugs.**

22 (3) An explanation that, in the individual market, IC 27-1-49
 23 requires that covered individual defined cost sharing be calculated
 24 at the point of sale based on a price that is reduced by at least
 25 eighty-five percent (85%) of the rebates concerning the
 26 dispensing or administration of the covered individual's
 27 prescription drugs.".

28 Renumber all SECTIONS consecutively.

(Reference is to HB 1332 as introduced.)