

HOUSE BILL 1355

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By: **Delegates Cox, Boteler, Hornberger, McComas, and Thiam**

Introduced and read first time: February 11, 2022

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Prescription Insulin Drugs – Limits on Copayment and**
3 **Coinsurance**

4 FOR the purpose of requiring certain insurers, nonprofit health service plans, and health
5 maintenance organizations to limit the amount a covered individual is required to
6 pay in copayments or coinsurance for a covered prescription insulin drug to a certain
7 amount; requiring the Prescription Drug Affordability Board to conduct a certain
8 cost review of prescription insulin drug products; and generally relating to the
9 pricing and health insurance coverage of prescription insulin drugs.

10 BY adding to

11 Article – Insurance

12 Section 15–822.1

13 Annotated Code of Maryland

14 (2017 Replacement Volume and 2021 Supplement)

15 BY repealing and reenacting, with amendments,

16 Article – Insurance

17 Section 15–847.1

18 Annotated Code of Maryland

19 (2017 Replacement Volume and 2021 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
21 That the Laws of Maryland read as follows:

22 **Article – Insurance**

23 **15–822.1.**

24 **(A) (1) THIS SECTION APPLIES TO:**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(I) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT**
2 **PROVIDE COVERAGE FOR PRESCRIPTION DRUGS AND DEVICES TO INDIVIDUALS OR**
3 **GROUPS ON AN EXPENSE-INCURRED BASIS UNDER HEALTH INSURANCE POLICIES**
4 **OR CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE; AND**

5 **(II) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE**
6 **COVERAGE FOR PRESCRIPTION DRUGS AND DEVICES TO INDIVIDUALS OR GROUPS**
7 **UNDER CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.**

8 **(2) AN INSURER, A NONPROFIT HEALTH SERVICE PLAN, OR A HEALTH**
9 **MAINTENANCE ORGANIZATION THAT PROVIDES COVERAGE FOR PRESCRIPTION**
10 **DRUGS AND DEVICES THROUGH A PHARMACY BENEFITS MANAGER IS SUBJECT TO**
11 **THE REQUIREMENTS OF THIS SECTION.**

12 **(B) AN ENTITY SUBJECT TO THIS SECTION SHALL LIMIT THE AMOUNT A**
13 **COVERED INDIVIDUAL IS REQUIRED TO PAY IN COPAYMENTS OR COINSURANCE FOR**
14 **A COVERED PRESCRIPTION INSULIN DRUG TO NOT MORE THAN \$30 FOR A 30-DAY**
15 **SUPPLY, REGARDLESS OF THE AMOUNT OR TYPE OF INSULIN NEEDED TO FILL THE**
16 **COVERED INDIVIDUAL'S PRESCRIPTION.**

17 **(C) AN ENTITY SUBJECT TO THIS SECTION MAY SET THE AMOUNT A**
18 **COVERED INDIVIDUAL IS REQUIRED TO PAY TO AN AMOUNT THAT IS LESS THAN THE**
19 **PAYMENT AMOUNT LIMIT UNDER SUBSECTION (B) OF THIS SECTION.**

20 **(D) A CONTRACT BETWEEN AN ENTITY SUBJECT TO THIS SECTION, OR A**
21 **PHARMACY BENEFITS MANAGER THROUGH WHICH THE ENTITY PROVIDES**
22 **COVERAGE FOR PRESCRIPTION DRUGS AND DEVICES, AND A PHARMACY OR THE**
23 **PHARMACY'S CONTRACTING AGENT, MAY NOT:**

24 **(1) AUTHORIZE A PARTY TO THE CONTRACT TO CHARGE A COVERED**
25 **INDIVIDUAL AN AMOUNT THAT IS MORE THAN THE PAYMENT AMOUNT LIMIT UNDER**
26 **SUBSECTION (B) OF THIS SECTION;**

27 **(2) REQUIRE A PHARMACY TO COLLECT FROM A COVERED**
28 **INDIVIDUAL AN AMOUNT THAT IS MORE THAN THE PAYMENT AMOUNT LIMIT UNDER**
29 **SUBSECTION (B) OF THIS SECTION; OR**

30 **(3) REQUIRE A COVERED INDIVIDUAL TO PAY AN AMOUNT THAT IS**
31 **MORE THAN THE PAYMENT AMOUNT LIMIT UNDER SUBSECTION (B) OF THIS**
32 **SECTION.**

1 (a) This section applies to:

2 (1) insurers and nonprofit health service plans that provide coverage for
3 prescription drugs under individual, group, or blanket health insurance policies or
4 contracts that are issued or delivered in the State; and

5 (2) health maintenance organizations that provide coverage for
6 prescription drugs under individual group contracts that are issued or delivered in the
7 State.

8 (b) (1) Subject to paragraph (2) of this subsection **AND § 15-822.1 OF THIS**
9 **SUBTITLE**, an entity subject to this section may not impose a copayment or coinsurance
10 requirement on a prescription drug prescribed to treat diabetes, HIV, or AIDS that exceeds
11 \$150 for up to a 30-day supply of the drug.

12 (2) On July 1 each year, the limit on the copayment or coinsurance
13 requirement on a prescription drug prescribed to treat diabetes, HIV, or AIDS shall
14 increase by a percentage equal to the percentage change from the preceding year in the
15 medical care component of the March Consumer Price Index for All Urban Consumers,
16 Washington Metropolitan Area, from the U.S. Department of Labor, Bureau of Labor
17 Statistics.

18 SECTION 2. AND BE IT FURTHER ENACTED, That:

19 (a) The Prescription Drug Affordability Board shall conduct a cost review to
20 determine whether the pricing of prescription insulin drug products has led or will lead to
21 affordability challenges for the State health care system or high out-of-pocket costs for
22 patients.

23 (b) (1) On or before January 1, 2024, the Prescription Drug Affordability Board
24 shall submit a report to the General Assembly, in accordance with § 2-1257 of the State
25 Government Article, on the findings and recommendations from the cost review required
26 under subsection (a) of this section.

27 (2) The report required under this subsection shall include:

28 (i) a summary of insulin drug product pricing practices and how the
29 pricing practices impact the pricing of health insurance plans;

30 (ii) public policy recommendations, including any recommended
31 legislation, to control and prevent overpricing of prescription insulin drug products made
32 available to consumers in the State; and

33 (iii) any additional information the Board finds relevant from its cost
34 review of prescription insulin drug products.

1 SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall
2 apply to all policies, contracts, and health benefit plans issued, delivered, or renewed in the
3 State on or after January 1, 2023.

4 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect June
5 1, 2022.