

State Corporation Commission 2020 Fiscal Impact Statement

1. Bill Number: SB424

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: DeSteph

3. Committee: Commerce and Labor

4. Title: Health plans; calculation of enrollee's contribution to out-of-pocket maximum or cost-sharing.

5. Summary: Requires any carrier issuing a health plan in the Commonwealth to count the amount of any rebates received or to be received by the carrier or its pharmacy benefits manager in connection with the dispensing or administration of a prescription drug when calculating the enrollee's overall contribution to any out-of-pocket maximum or any cost-sharing requirement under the carrier's health plan.

6. Budget amendment necessary: No

7. Fiscal Impact Estimates: No Fiscal Impact on the State Corporation Commission

8. Fiscal Implications: None on the State Corporation Commission

9. Specific agency or political subdivisions affected: State Corporation Commission Bureau of Insurance

10. Technical amendment necessary: No

11. Other comments: The Code of Virginia section amended in Senate Bill 424 was enacted in the 2019 General Assembly to require, among other things, insurance carriers to count drug manufacturers' coupons used to pay an enrollee's cost share toward the out-of-pocket maximum. Federal rules indicate this requirement to count drug manufacturer coupons is not specifically required if a medically appropriate generic equivalent for the drug in question is available unless specifically required by state law (such as Code of Virginia § 38.2-3407.20).

Date: 01/13/20/V. Tompkins