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HOUSE BILL NO. 760

Offered January 10, 2024

Prefiled January 9, 2024

A BILL to amend and reenact §§ 38.2-3407.15:5 and 38.2-3418.10 of the Code of Virginia, relating to health insurance; cost-sharing payments for insulin and diabetes equipment and supplies; limit.

Patrons—Delaney and Bennett-Parker

Referred to Committee on Labor and Commerce

Be it enacted by the General Assembly of Virginia:

1. That §§ 38.2-3407.15:5 and 38.2-3418.10 of the Code of Virginia are amended and reenacted as follows:

§ 38.2-3407.15:5. Limit on cost-sharing payments for prescription insulin drugs.

A. As used in this section:

"Carrier" has the same meaning ascribed thereto in subsection A of § 38.2-3407.15.

"Cost-sharing payment" means the total amount a covered person is required to pay at the point of sale in order to receive a prescription drug that is covered under the covered person's health plan.

"Covered person" means a policyholder, subscriber, participant, or other individual covered by a health plan.

"Health plan" means any health benefit plan, as defined in § 38.2-3438, that provides coverage for a prescription insulin drug.

"Pharmacy benefits manager" means an entity that engages in the administration or management of prescription drug benefits provided by a carrier for the benefit of its covered persons.

"Prescription insulin drug" means a prescription drug that contains insulin and is used to treat diabetes.

"Provider contract" has the same meaning ascribed thereto in subsection A of § 38.2-3407.15.

B. Every health plan offered by a carrier shall set the cost-sharing payment that a covered person is required to pay for a covered prescription insulin drug at an amount that does not exceed ~~\$50~~ *\$35 in aggregate, including situations where the covered person is prescribed more than one insulin drug*, per 30-day supply of the prescription insulin drug, regardless of the amount or type of insulin needed to fill the covered person's prescription.

C. Nothing in this section shall prevent a carrier from setting a covered person's cost-sharing payment for a covered prescription insulin drug at an amount that is less than the maximum amount permitted pursuant to subsection B.

D. No provider contract between a carrier or its pharmacy benefits manager and a pharmacy or its contracting agent shall contain a provision (i) authorizing the carrier's pharmacy benefits manager or the pharmacy to charge, (ii) requiring the pharmacy to collect, or (iii) requiring a covered person to make a cost-sharing payment for a covered prescription insulin drug in an amount that exceeds the amount of the cost-sharing payment for the covered prescription insulin drug established by the carrier pursuant to subsection B.

E. This section shall apply with respect to health plans and provider contracts entered into, amended, extended, or renewed on or after January 1, 2021.

F. Pursuant to the authority granted by § 38.2-223, the Commission may adopt such rules and regulations as it may deem necessary to implement this section.

§ 38.2-3418.10. Coverage for diabetes.

A. As used in this section:

"Cost-sharing payment" means the total amount a covered person is required to pay at the point of sale in order to receive equipment and supplies that are covered under the covered person's policy, contract, or plan.

"Equipment and supplies" means blood glucose meters and strips, urine-testing strips, syringes, continuous glucose monitors and supplies, and insulin pump supplies. "Equipment and supplies" shall not be considered durable medical equipment.

B. Each insurer proposing to issue an individual or group hospital policy or major medical policy in this Commonwealth, each corporation proposing to issue an individual or group hospital, medical or major medical subscription contract, and each health maintenance organization providing a health care plan for health care services shall provide coverage for diabetes as provided in this section.

~~B.~~ C. Such coverage shall include benefits for equipment, *and* supplies and in-person outpatient self-management training and education, including medical nutrition therapy, for the treatment of

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59 insulin-dependent diabetes, insulin-using diabetes, gestational diabetes and noninsulin-using diabetes if
60 prescribed by a health care professional legally authorized to prescribe such items under law. As used
61 herein, the terms "equipment" and "supplies" shall not be considered durable medical equipment.

62 C. D. To qualify for coverage under this section, diabetes in-person outpatient self-management
63 training and education shall be provided by a certified, registered or licensed health care professional. A
64 managed care health insurance plan, as defined in Chapter 58 (§ 38.2-5800 et seq.) of this title, may
65 require such health care professional to be a member of the plan's provider network; provided that such
66 network includes sufficient health care professionals who are qualified by specific education, experience,
67 and credentials to provide the covered benefits described in this section.

68 D. E. No insurer, corporation, or health maintenance organization shall impose upon any person
69 receiving benefits pursuant to this section any copayment, fee or condition that is not equally imposed
70 upon all individuals in the same benefit category, nor shall any insurer, corporation or health
71 maintenance organization impose any policy-year or calendar-year dollar or durational benefit limitations
72 or maximums for benefits or services provided under this section. *Additionally, every policy, contract, or*
73 *plan offered by an insurer, corporation, or health maintenance organization shall set the cost-sharing*
74 *payment that a covered person is required to pay for equipment and supplies at an amount that does*
75 *not exceed \$35 in aggregate, including situations where the covered person is prescribed more than one*
76 *piece of equipment or type of supplies, per 30-day supply of the equipment and supplies, regardless of*
77 *the amount or type of equipment or supplies needed to fill the covered person's prescription.*

78 E. F. The requirements of this section shall apply to all insurance policies, contracts and plans
79 delivered, issued for delivery, reissued, or extended on and after July 1, 2000, or at any time thereafter
80 when any term of the policy, contract or plan is changed or any premium adjustment is made.

81 F. G. This section shall not apply to short-term travel, accident only, or limited or specified disease
82 policies or contracts, nor to policies or contracts designed for issuance to persons eligible for coverage
83 under Title XVIII of the Social Security Act, known as Medicare, or any other similar coverage under
84 state or federal governmental plans.

85 2. That the provisions of this act shall apply to insurance policies, contracts, and plans delivered,
86 issued for delivery, reissued, amended, or extended on or after January 1, 2025.