

SENATE BILL 353

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By: **Senators Lam, Beidle, Benson, Elfreth, Hayes, Jackson, King, Lee, Patterson, Pinsky, and Washington**

Introduced and read first time: January 21, 2022

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Prescription Insulin Drugs – Limits on Copayment and**
3 **Coinsurance**
4 **(Insulin Cost Reduction Act)**

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

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

17 **Article – Insurance**

18 **15–822.1.**

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

20 **(I) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT**
21 **PROVIDE COVERAGE FOR PRESCRIPTION DRUGS AND DEVICES TO INDIVIDUALS OR**
22 **GROUPS UNDER HEALTH INSURANCE POLICIES OR CONTRACTS THAT ARE**
23 **DELIVERED IN THE STATE; AND**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

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

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

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

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

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

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

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

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

32 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 January 1, 2023.