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February 25, 2025

TO: The Honorable Joseline A. Peña-Melnyk, Chair
Health and Government Operations Committee

FROM: Irnise F. Williams, Deputy Director, Health Education and Advocacy Unit

RE: House Bill 1246- Health Benefit Plans - Calculation of Cost Sharing Contribution
– Requirements - **LETTER OF INFORMATION**

The Health Education and Advocacy Unit submits a letter of information for the limited purpose of addressing section (C)(1) of House Bill 1246, which requires persons that provide discounts, financial assistance payments, product vouchers, or other out-of-pocket expense made on behalf of an the insured or enrollee that is used in the calculation of the insured's or enrollee's contribution to cost-sharing requirement or out-of-pocket maximums, to notify the insured or enrollee of material information related to the use of the funds.

The bill provides that a violation of (C)(1) is a violation of the Consumer Protection Act (CPA). The CPA generally requires that material information be provided to consumers. Section (C)(1) identifies specific material information that must be provided to consumers. Thus, this bill applies the general principle that already is present in the CPA and applies that principle to programs that provide discounts, financial assistance, or product vouchers. We hope this information is helpful to the Committee in considering House Bill 1246.

cc: The Honorable Steve Johnson