

A-Engrossed House Bill 4073

Ordered by the House February 18
Including House Amendments dated February 18

Sponsored by Representative SCHOUTEN, Senator MANNING JR, Representative SMITH DB; Representatives ALONSO LEON, FAHEY, HAYDEN, HELM, HERNANDEZ, HOLVEY, KENY-GUYER, LIVELY, MCKEOWN, MEEK, MITCHELL, NERON, NOSSE, PILUSO, POWER, PRUSAK, SALINAS, SANCHEZ, Senators BEYER, DEMBROW, HASS, MONNES ANDERSON, RILEY, ROBLAN, TAYLOR (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Limits cost-sharing for health benefit plan coverage of insulin prescribed for treatment of diabetes.

A BILL FOR AN ACT

1
2 Relating to the cost of insulin.

3 Whereas almost 20,000 Oregonians are diagnosed with diabetes each year; and

4 Whereas as of January 1, 2018, more than 435,000 adults in Oregon have been diagnosed with
5 diabetes and another 100,000 are undiagnosed but living with the disease; and

6 Whereas every Oregonian with Type 1 diabetes and many with Type 2 diabetes rely on daily
7 doses of insulin to survive; and

8 Whereas the annual medical costs related to diabetes in Oregon are \$4.3 billion; and

9 Whereas insulin prices rose by 45 percent between 2014 and 2017 and, over the past 14 years,
10 the price of insulin has risen by 550 percent, adjusted for inflation; and

11 Whereas one in four individuals with Type 1 diabetes have reported using less than the pre-
12 scribed amount of insulin due to the high cost of insulin; and

13 Whereas it is important to implement state policies that reduce the costs for Oregonians with
14 diabetes to obtain life-saving and life-sustaining insulin; now, therefore,

15 **Be It Enacted by the People of the State of Oregon:**

16 **SECTION 1. Section 2 of this 2020 Act is added to and made a part of the Insurance Code.**

17 **SECTION 2. (1) As used in this section:**

18 (a) "Health benefit plan" has the meaning given that term in ORS 743B.005.

19 (b) "Insulin" has the meaning given that term in ORS 689.696.

20 (2) A health benefit plan offered in this state may not require an enrollee in the plan to
21 incur cost-sharing or other out-of-pocket costs, as adjusted under subsection (3) of this
22 section, that exceed \$75 for each 30-day supply of a type of insulin prescribed for the treat-
23 ment of diabetes or \$225 for each 90-day supply.

24 (3) The Department of Consumer and Business Services shall, by rule, annually adjust
25 the maximum cost specified in subsection (2) of this section by the percentage increase, if
26 any, in the cost of living for the previous calendar year, based on changes in the Consumer

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 **Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau**
2 **of Labor Statistics of the United States Department of Labor.**

3 **(4) The coverage under this section may not be subject to a deductible imposed by a**
4 **health benefit plan.**

5 **(5) This section does not prohibit a health benefit plan from using a drug formulary or**
6 **other utilization review protocol applicable to prescription drug coverage under the plan.**

7 **(6) This section is not subject to ORS 743A.001.**

8 **SECTION 3. Section 2 of this 2020 Act applies to health benefit plans issued, renewed or**
9 **extended on or after January 1, 2021.**

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