

# HOUSE BILL No. 1158

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-10-8-17; IC 27-8-34; IC 27-13-7-22.

**Synopsis:** Prescription drug costs. Specifies limitations on certain out-of-pocket costs for prescription drugs under coverage provided by a state employee health plan, a policy of accident and sickness insurance, and a health maintenance organization contract.

**Effective:** July 1, 2014.

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January 13, 2014, read first time and referred to Committee on Insurance.

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Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

# HOUSE BILL No. 1158

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 5-10-8-17 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2014]: **Sec. 17. (a) As used in this section, "covered individual"**  
4 **means an individual who is covered under a state employee health**  
5 **plan.**  
6 **(b) As used in this section, "state employee health plan" means:**  
7 **(1) a self-insurance program established under section 7(b) of**  
8 **this chapter; or**  
9 **(2) a contract with a prepaid health care delivery plan entered**  
10 **into under section 7(c) of this chapter.**  
11 **(c) A copayment or coinsurance amount that applies to coverage**  
12 **of prescription drugs under a state employee health plan may not**  
13 **exceed the following:**  
14 **(1) Two hundred dollars (\$200) for a one (1) month supply of**  
15 **a single prescription drug.**  
16 **(2) Five hundred dollars (\$500) for a one (1) month supply of**



- 1 more than one (1) prescription drug.
- 2 (d) Out-of-pocket costs paid by a covered individual for  
3 prescription drugs under a state employee health plan must be  
4 included in any annual limitation that applies to out-of-pocket costs  
5 generally under the state employee health plan.
- 6 (e) This section does not require that a state employee health  
7 plan must provide coverage for prescription drugs.
- 8 (f) This section does not apply to a state employee health plan  
9 that is a qualified health plan offered through a health insurance  
10 exchange under the federal Patient Protection and Affordable Care  
11 Act (P.L. 111-148).
- 12 (g) This section expires July 1, 2016.
- 13 SECTION 2. IC 27-8-34 IS ADDED TO THE INDIANA CODE AS  
14 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
15 1, 2014]:
- 16 **Chapter 34. Prescription Drug Costs**
- 17 **Sec. 1. As used in this chapter, "policy of accident and sickness  
18 insurance" has the meaning set forth in IC 27-8-5-1.**
- 19 **Sec. 2. A copayment or coinsurance amount that applies to  
20 coverage of prescription drugs under a policy of accident and  
21 sickness insurance may not exceed the following:**
- 22 (1) Two hundred dollars (\$200) for a one (1) month supply of  
23 a single prescription drug.
- 24 (2) Five hundred dollars (\$500) for a one (1) month supply of  
25 more than one (1) prescription drug.
- 26 **Sec. 3. Out-of-pocket costs paid by an insured for prescription  
27 drugs under a policy of accident and sickness insurance must be  
28 included in any annual limitation that applies to out-of-pocket costs  
29 generally under the policy of accident and sickness insurance.**
- 30 **Sec. 4. This chapter does not require that a policy of accident  
31 and sickness insurance must provide coverage for prescription  
32 drugs.**
- 33 **Sec. 5. This chapter does not apply to a policy of accident and  
34 sickness insurance that is a qualified health plan offered through  
35 a health insurance exchange under the federal Patient Protection  
36 and Affordable Care Act (P.L. 111-148).**
- 37 **Sec. 6. This chapter expires July 1, 2016.**
- 38 SECTION 3. IC 27-13-7-22 IS ADDED TO THE INDIANA CODE  
39 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
40 1, 2014]: **Sec. 22. (a) A copayment or coinsurance amount that  
41 applies to coverage of prescription drugs under an individual  
42 contract or a group contract may not exceed the following:**



- 1           **(1) Two hundred dollars (\$200) for a one (1) month supply of**  
2           **a single prescription drug.**  
3           **(2) Five hundred dollars (\$500) for a one (1) month supply of**  
4           **more than one (1) prescription drug.**  
5           **(b) Out-of-pocket costs paid by an enrollee for prescription**  
6           **drugs under an individual contract or a group contract must be**  
7           **included in any annual limitation that applies to out-of-pocket costs**  
8           **generally under the individual contract or group contract.**  
9           **(c) This section does not require that an individual contract or**  
10          **a group contract must provide coverage for prescription drugs.**  
11          **(d) This section does not apply to an individual contract or a**  
12          **group contract that is a qualified health plan offered through a**  
13          **health insurance exchange under the federal Patient Protection and**  
14          **Affordable Care Act (P.L. 111-148).**  
15          **(e) This section expires July 1, 2016.**  
16          SECTION 4. [EFFECTIVE JULY 1, 2014] **(a) IC 5-10-8-17, as**  
17          **added by this act, applies to a state employee health plan that is**  
18          **established, entered into, amended, or renewed after June 30, 2014.**  
19          **(b) IC 27-8-34, as added by this act, applies to a policy of**  
20          **accident and sickness insurance that is issued, delivered, amended,**  
21          **or renewed after June 30, 2014.**  
22          **(c) IC 27-13-7-22, as added by this act, applies to an individual**  
23          **contract or a group contract that is entered into, delivered,**  
24          **amended, or renewed after June 30, 2014.**  
25          **(d) This SECTION expires June 30, 2016.**

