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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. **633**

02/01/2021 Authored by Bierman, Hamilton, Long, Christensen, Hanson, J., and others
The bill was read for the first time and referred to the Committee on Commerce Finance and Policy
02/25/2021 Adoption of Report: Amended and re-referred to the Committee on Health Finance and Policy

1.1 A bill for an act
1.2 relating to insurance; requiring individual and small group health plan offerings
1.3 to include a predeductible, flat co-pay on prescription drug option; amending
1.4 Minnesota Statutes 2020, section 62Q.81, by adding a subdivision.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2020, section 62Q.81, is amended by adding a subdivision
1.7 to read:

1.8 Subd. 6. Prescription drug benefits. (a) A health plan company that offers individual
1.9 health plans must ensure that no fewer than 25 percent of the individual health plans the
1.10 company offers in each geographic area that the health plan company services at each level
1.11 of coverage described in subdivision 1, paragraph (b), clause (3), applies a predeductible,
1.12 flat-dollar amount co-payment structure to the entire drug benefit, including all tiers.

1.13 (b) A health plan company that offers small group health plans must ensure that no fewer
1.14 than 25 percent of small group health plans the company offers in each geographic area that
1.15 the health plan company services at each level of coverage described in subdivision 1,
1.16 paragraph (b), clause (3), applies a predeductible, flat-dollar amount co-payment structure
1.17 to the entire drug benefit, including all tiers.

1.18 (c) The highest allowable co-payment for the highest cost drug tier for health plans
1.19 offered pursuant to this subdivision must be no greater than 1/12 of the plan's out-of-pocket
1.20 maximum for an individual.

1.21 (d) The flat-dollar amount co-payment tier structure for prescription drugs under this
1.22 subdivision must be graduated and proportionate.

2.1 (e) All individual and small group health plans offered pursuant to this subdivision must
2.2 be:

2.3 (1) clearly and appropriately named to aid the purchaser in the selection process;

2.4 (2) marketed in the same manner as other health plans offered by the health plan company;

2.5 and

2.6 (3) offered for purchase to any individual or small group.

2.7 (f) This subdivision does not apply to catastrophic plans, grandfathered plans, large
2.8 group health plans, health savings accounts (HSAs), qualified high deductible health benefit
2.9 plans, limited health benefit plans, or short-term limited-duration health insurance policies.

2.10 (g) Health plan companies must meet the requirements in this subdivision separately for
2.11 plans offered through MNsure under chapter 62V and plans offered outside of MNsure.

2.12 **EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to individual
2.13 and small group health plans offered, issued, or renewed on or after that date.