

1 STATE OF OKLAHOMA

2 2nd Session of the 57th Legislature (2020)

3 SENATE BILL 1576

By: Murdock

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5
6 AS INTRODUCED

7 An Act relating to health insurance; requiring
8 Insurance Department to investigate price of
9 prescription insulin drugs; requiring Department to
10 gather relevant information; authorizing Attorney
11 General to issue civil investigative demands to
12 certain entities; exempting trade secrets from
13 demand; requiring Department to issue report of
14 findings and present findings to certain persons;
15 requiring report to include certain information;
16 defining term; amending 36 O.S. 2011, Section 6060.2,
17 which relates to treatment of diabetes; requiring
18 health insurers to cap copayments for insulin at
19 certain cost; authorizing insurers to reduce
20 copayments beyond cap; authorizing Insurance
21 Commissioner to enforce cap on copayments;
22 authorizing Commissioner to promulgate rules;
23 updating statutory reference; providing for
24 codification; and providing an effective date.

18 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

19 SECTION 1. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 7410 of Title 36, unless there
21 is created a duplication in numbering, reads as follows:

22 A. The Insurance Department shall investigate pricing of
23 prescription insulin drugs made available to Oklahoma consumers to
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1 ensure adequate consumer protections in pricing of prescription
2 insulin drugs and whether additional protections are needed.

3 B. As part of the investigation, the Department shall gather,
4 compile and analyze information concerning the organization,
5 business practices, pricing information, data, reports or any other
6 information that the Department finds necessary to fulfill the
7 requirements of this section from companies engaged in the
8 manufacture or sale of prescription insulin drugs. The Department
9 shall also consider any publicly available information related to
10 drug pricing.

11 C. If necessary to fulfill the reporting requirements of this
12 section, the Attorney General may issue a civil investigative demand
13 requiring a state agency, insurance carrier, as defined in Section
14 103 of Title 36 of the Oklahoma Statutes, pharmacy benefit manager,
15 as defined in Section 6960 of Title 36 of the Oklahoma Statutes or a
16 manufacturer of prescription insulin drugs that are made available
17 in Oklahoma to furnish data or other relevant information.

18 A person or business shall not be compelled to provide trade
19 secrets.

20 D. By November 1, 2021, the Department shall issue and make
21 available to the public a report detailing its findings from the
22 investigation conducted pursuant to this section. The Department
23 shall present the report to the Governor, the President Pro Tempore
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1 of the Senate and the Speaker of the House of Representatives. The
2 report shall include:

3 1. A summary of insulin pricing practices and variables that
4 contribute to pricing of health benefit plans;

5 2. Public policy recommendations to control and prevent
6 overpricing of prescription insulin drugs made available to Oklahoma
7 consumers;

8 3. Any recommendations for improvement to the Consumer
9 Protection Act, Section 751 et seq. of Title 15 of the Oklahoma
10 Statutes to prevent deceptive sales practices related to the sale of
11 prescription insulin drugs, including the pricing of those drugs;

12 4. Any other information the Department finds necessary; and

13 5. For purposes of this subsection, "health benefit plan" shall
14 be defined pursuant to subsection C of Section 6060.4 of Title 36 of
15 the Oklahoma Statutes.

16 SECTION 2. AMENDATORY 36 O.S. 2011, Section 6060.2, is
17 amended to read as follows:

18 Section 6060.2. A. 1. Every health benefit plan issued or
19 renewed on or after November 1, 1996, shall, subject to the terms of
20 the policy contract or agreement, include coverage for the following
21 equipment, supplies and related services for the treatment of Type
22 I, Type II, and gestational diabetes, when medically necessary and
23 when recommended or prescribed by a physician or other licensed
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1 health care provider legally authorized to prescribe under the laws
2 of this state:

- 3 a. blood glucose monitors,
- 4 b. blood glucose monitors to the legally blind,
- 5 c. test strips for glucose monitors,
- 6 d. visual reading and urine testing strips,
- 7 e. insulin,
- 8 f. injection aids,
- 9 g. cartridges for the legally blind,
- 10 h. syringes,
- 11 i. insulin pumps and appurtenances thereto,
- 12 j. insulin infusion devices,
- 13 k. oral agents for controlling blood sugar, and
- 14 l. podiatric appliances for prevention of complications
15 associated with diabetes.

16 2. The State Board of Health shall develop and annually update,
17 by rule, a list of additional diabetes equipment, related supplies
18 and health care provider services that are medically necessary for
19 the treatment of diabetes, for which coverage shall also be
20 included, subject to the terms of the policy, contract, or
21 agreement, if the equipment and supplies have been approved by the
22 federal Food and Drug Administration (FDA). Additional FDA-approved
23 diabetes equipment and related supplies, and health care provider
24 services shall be determined in consultation with a national

1 diabetes association affiliated with this state, and at least three
2 (3) medical directors of health benefit plans, to be selected by the
3 State Department of Health.

4 3. All policies specified in this section shall also include
5 coverage for:

6 a. podiatric health care provider services as are deemed
7 medically necessary to prevent complications from
8 diabetes, and

9 b. diabetes self-management training. As used in this
10 subparagraph, "diabetes self-management training"
11 means instruction in an inpatient or outpatient
12 setting which enables diabetic patients to understand
13 the diabetic management process and daily management
14 of diabetic therapy as a method of avoiding frequent
15 hospitalizations and complications. Diabetes self-
16 management training shall comply with standards
17 developed by the State Board of Health in consultation
18 with a national diabetes association affiliated with
19 this state and at least three (3) medical directors of
20 health benefit plans selected by the State Department
21 of Health. Coverage for diabetes self-management
22 training, including medical nutrition therapy relating
23 to diet, caloric intake, and diabetes management, but
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1 excluding programs the only purpose of which are
2 weight reduction, shall be limited to the following:

3 (1) visits medically necessary upon the diagnosis of
4 diabetes,

5 (2) a physician diagnosis which represents a
6 significant change in the symptoms or condition
7 of the patient making medically necessary changes
8 in the self-management of the patient, and

9 (3) visits when reeducation or refresher training is
10 medically necessary;

11 provided, however, payment for the coverage required for diabetes
12 self-management training pursuant to the provisions of this section
13 shall be required only upon certification by the health care
14 provider providing the training that the patient has successfully
15 completed diabetes self-management training.

16 4. Diabetes self-management training shall be supervised by a
17 licensed physician or other licensed health care provider legally
18 authorized to prescribe under the laws of this state. Diabetes
19 self-management training may be provided by the physician or other
20 appropriately registered, certified, or licensed health care
21 professional as part of an office visit for diabetes diagnosis or
22 treatment. Training provided by appropriately registered,
23 certified, or licensed health care professionals may be provided in
24 group settings where practicable.

1 5. Coverage for diabetes self-management training and training
2 related to medical nutrition therapy, when provided by a registered,
3 certified, or licensed health care professional, shall also include
4 home visits when medically necessary and shall include instruction
5 in medical nutrition therapy only by a licensed registered dietician
6 or licensed certified nutritionist when authorized by the
7 supervising physician of the patient when medically necessary.

8 6. Coverage may be subject to the same annual deductibles or
9 coinsurance as may be deemed appropriate and as are consistent with
10 those established for other covered benefits within a given policy.

11 7. Any health benefit plan that provides coverage for insulin
12 pursuant to this section shall cap the total amount that the insured
13 is required to pay for insulin at an amount not to exceed One
14 Hundred Dollars (\$100.00) per thirty-day supply of insulin,
15 regardless of the amount, type or number of prescriptions of insulin
16 required by the insured for that period.

17 a. Nothing in this subsection prevents a health benefit
18 plan from reducing the cost sharing of the insured to
19 an amount less than One Hundred Dollars (\$100.00).

20 b. The Insurance Commissioner shall ensure all health
21 benefit plans comply with the requirements of this
22 section.

23 c. The Commissioner may promulgate rules as necessary to
24 implement and administer the requirements of this

1 section and to align with federal requirements as
2 amended.

3 B. 1. Health benefit plans shall not reduce or eliminate
4 coverage due to the requirements of this section.

5 2. Enforcement of the provisions of this ~~act~~ section shall be
6 performed by the Insurance Department and the State Department of
7 Health.

8 C. As used in this section, "health benefit plan" means any
9 plan or arrangement as defined in subsection C of Section 6060.4 of
10 this title.

11 SECTION 3. This act shall become effective November 1, 2020.

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13 57-2-2823 CB 1/16/2020 10:52:50 AM
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