SUBSTITUTE HOUSE BILL 1725

State of Washington 68th Legislature 2023 Regular Session

By House Health Care & Wellness (originally sponsored by Representatives Maycumber, Riccelli, Fosse, Doglio, Tharinger, Stonier, Barnard, Hutchins, Graham, Mosbrucker, Christian, Reeves, Walen, Gregerson, Ormsby, Reed, Schmidt, Pollet, Cheney, Shavers, Macri, and Leavitt)

AN ACT Relating to increased access to insulin for individuals under the age of 21; adding a new section to chapter 70.14 RCW; adding a new section to chapter 48.43 RCW; adding a new section to chapter 41.05 RCW; and creating a new section.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 <u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 70.14 7 RCW to read as follows:

(1) By January 1, 2025, the health care authority shall establish 8 9 a copayment offset program for insulin for individuals under the age of 21. The health care authority shall develop a process to eliminate 10 11 out-of-pocket costs for insulin for enrollees under the age of 21 of 12 health plans offered by health carriers regulated under chapter 48.43 13 RCW and health plans offered to public employees under chapter 41.05 14 RCW. An enrollee of a health plan may not be responsible for any cost 15 sharing for insulin.

16 (2) Health carriers shall participate in the program and 17 enrollees may not be responsible for any cost sharing. The health 18 care authority shall reimburse a carrier for an enrollee's cost-19 sharing obligation.

(3) In order to receive reimbursement, a carrier must provide thehealth care authority with an end-of-calendar-year reconciliation for

1 any cost-sharing reductions owed to the carrier pursuant to this 2 section.

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(4) The health care authority is authorized to:

(a) Bill, charge, and receive payment from health carriers; and

5 (b) Perform any other functions as may be necessary or proper to 6 establish and administer the program.

7 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 48.43 8 RCW to read as follows:

9 (1) For health plans issued or renewed on or after January 1, 10 2024, health carriers shall participate in the copayment offset 11 program for insulin for individuals under the age of 21 established 12 in section 1 of this act once the program is operational.

(2) If the federal internal revenue service removes insulin from 13 the list of preventive care services which can be covered by a 14 15 qualifying health plan for a health savings account before the 16 deductible is satisfied, for a health plan that provides coverage for 17 prescription insulin drugs for the treatment of diabetes and is offered as a qualifying health plan for a health savings account, the 18 carrier shall establish the plan's cost sharing for the coverage of 19 prescription insulin for diabetes at the minimum level necessary to 20 preserve the enrollee's ability to claim tax exempt contributions 21 from his or her health savings account under internal revenue service 22 laws and regulations. The office of the insurance commissioner shall 23 24 provide written notice of the change in internal revenue service guidance to affected parties, the chief clerk of the house of 25 representatives, the secretary of the senate, the office of the code 26 27 reviser, and others as deemed appropriate by the office of the 28 insurance commissioner.

29 <u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 41.05 30 RCW to read as follows:

(1) For health plans offered to employees and their covered dependents under this chapter issued or renewed on or after January 1, 2024, health carriers shall participate in the copayment offset program for insulin for individuals under the age of 21 established in section 1 of this act once the program is operational.

36 (2) If the federal internal revenue service removes insulin from 37 the list of preventive care services which can be covered by a 38 qualifying health plan for a health savings account before the

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1 deductible is satisfied, for a health plan that provides coverage for prescription insulin drugs for the treatment of diabetes and is 2 offered as a qualifying health plan for a health savings account, the 3 carrier shall establish the plan's cost sharing for the coverage of 4 prescription insulin for diabetes at the minimum level necessary to 5 6 preserve the enrollee's ability to claim tax exempt contributions 7 from his or her health savings account under internal revenue service laws and regulations. The office of the insurance commissioner shall 8 provide written notice of the change in internal revenue service 9 guidance to affected parties, the chief clerk of the house of 10 11 representatives, the secretary of the senate, the office of the code 12 reviser, and others as deemed appropriate by the office of the insurance commissioner. 13

14 <u>NEW SECTION.</u> Sec. 4. The health care authority and the office 15 of the insurance commissioner may adopt rules necessary to implement 16 this act.

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