

1 HB249
2 207943-3
3 By Representative Lee
4 RFD: Insurance
5 First Read: 02-FEB-21

8 SYNOPSIS: This bill would require a health benefit
9 plan that provides coverage for prescription
10 insulin drugs to cap the total amount of any
11 cost-sharing or co-pay that an insured is required
12 to pay for a covered prescription insulin drug.

14 A BILL
15 TO BE ENTITLED
16 AN ACT

18 To require a health benefit plan that provides
19 coverage for prescription insulin drugs to cap the amount of
20 any cost-sharing or co-pay that an insured or a beneficiary
21 under the plan is required to pay for a covered prescription
22 insulin drug; and to amend Sections 10A-20-6.16 and 27-21A-23,
23 Code of Alabama 1975, as amended by Act 2019-98 of the 2019
24 Regular Session, relating to health care service plans and
25 health maintenance organizations.

26 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. (a) As used in this section, the
2 following words have the following meanings:

3 (1) HEALTH BENEFIT PLAN. Any group insurance plan,
4 individual health insurance policy or other policy, or
5 contract for health care services that covers hospital,
6 medical, or surgical expenses, health maintenance
7 organizations, preferred provider organizations, medical
8 service organizations, physician-hospital organizations, or
9 any other person, firm, corporation, joint venture, or other
10 similar business entity that pays for, purchases, or furnishes
11 group health care services to patients, insureds, or
12 beneficiaries in this state. For the purposes of this section,
13 a health benefit plan located or domiciled outside of the
14 State of Alabama is deemed to be subject to this section if
15 the plan, policy, or contract is issued or delivered in the
16 State of Alabama. The term includes, but is not limited to,
17 entities created pursuant to Article 6, Chapter 20, Title 10A,
18 Code of Alabama 1975. The term does not include accident-only,
19 specified disease, individual hospital indemnity, credit,
20 dental-only, Medicare-supplement, long-term care, or
21 disability income insurance, other limited benefit health
22 insurance policies, coverage issued as a supplemental to
23 liability insurance, workers' compensation or similar
24 insurance, or automobile medical-payment insurance.

25 (2) PRESCRIPTION INSULIN DRUG. A prescription drug
26 that contains insulin, is used to treat diabetes, and has been
27 prescribed as medically necessary by the treating physician.

1 (b) (1) A health benefit plan that provides coverage
2 for prescription insulin drugs shall cap the total amount of
3 any cost-sharing or co-pay that an insured or beneficiary is
4 required to pay under the plan for a covered prescription
5 insulin drug at an amount not to exceed one hundred dollars
6 (\$100) per 30-day supply of the insulin drug, without regard
7 to the policy deductible, regardless of the amount or type of
8 insulin needed to fill the insured's or beneficiary's
9 prescription.

10 (2) This section does not prevent a health benefit
11 plan from reducing an insured's or beneficiary's cost-sharing
12 obligation by an amount greater than the amount specified in
13 subdivision (1).

14 (3) On January 1 of each year, the limit on the
15 amount that an insured is required to pay for a 30-day supply
16 of a covered prescription insulin drug shall increase by a
17 percentage equal to the percentage change from the preceding
18 year in the prescription drug component of the Consumer Price
19 Index of the Bureau of Labor Statistics of the United States
20 Department of Labor.

21 (4) This section does not apply to a health benefit
22 plan if the implementation of the cost-sharing or co-pay cap
23 in subdivision (1) would necessitate the health benefit plan's
24 cost sharing for other services to be increased in order to
25 comply with federally mandated actuarial values for
26 non-grandfathered individual and small group plans.

1 (5) This section shall apply to contracts entered
2 into after the effective date of this act.

3 Section 2. Sections 10A-20-6.16 and 27-21A-23, as
4 amended by Act 2019-98, Code of Alabama 1975, are amended to
5 read as follows:

6 "§10A-20-6.16.

7 "(a) No statute of this state applying to insurance
8 companies shall be applicable to any corporation organized
9 under this article and amendments thereto or to any contract
10 made by the corporation; except the corporation shall be
11 subject to the following:

12 "(1) The provisions regarding annual premium tax to
13 be paid by insurers on insurance premiums.

14 "(2) Chapter 55 of Title 27.

15 "(3) Article 2 and Article 3 of Chapter 19 of Title
16 27.

17 "(4) Section 27-1-17.

18 "(5) Chapter 56 of Title 27.

19 "(6) Rules ~~promulgated~~ adopted by the Commissioner
20 of Insurance pursuant to Sections 27-7-43 and 27-7-44.

21 "(7) Chapter 54 of Title 27.

22 "(8) Chapter 57 of Title 27.

23 "(9) Chapter 58 of Title 27.

24 "(10) Chapter 59 of Title 27.

25 "(11) Chapter 54A of Title 27.

26 "(12) Chapter 12A of Title 27.

27 "(13) Chapter 2B of Title 27.

1 "(14) Chapter 29 of Title 27.

2 "(15) Chapter 62 of Title 27.

3 "(16) Section 1 of the act adding this subdivision.

4 "(b) The provisions in subsection (a) that require
5 specific types of coverage to be offered or provided shall not
6 apply when the corporation is administering a self-funded
7 benefit plan or similar plan, fund, or program that it does
8 not insure.

9 "§27-21A-23.

10 "(a) Except as otherwise provided in this chapter,
11 provisions of the insurance law and provisions of health care
12 service plan laws shall not be applicable to any health
13 maintenance organization granted a certificate of authority
14 under this chapter. This provision shall not apply to an
15 insurer or health care service plan licensed and regulated
16 pursuant to the insurance law or the health care service plan
17 laws of this state except with respect to its health
18 maintenance organization activities authorized and regulated
19 pursuant to this chapter.

20 "(b) Solicitation of enrollees by a health
21 maintenance organization granted a certificate of authority
22 shall not be construed to violate any provision of law
23 relating to solicitation or advertising by health
24 professionals.

25 "(c) Any health maintenance organization authorized
26 under this chapter shall not be deemed to be practicing

1 medicine and shall be exempt from the provisions of Section
2 34-24-310, et seq., relating to the practice of medicine.

3 "(d) No person participating in the arrangements of
4 a health maintenance organization other than the actual
5 provider of health care services or supplies directly to
6 enrollees and their families shall be liable for negligence,
7 misfeasance, nonfeasance, or malpractice in connection with
8 the furnishing of such services and supplies.

9 "(e) Nothing in this chapter shall be construed in
10 any way to repeal or conflict with any provision of the
11 certificate of need law.

12 "(f) Notwithstanding the provisions of subsection
13 (a), a health maintenance organization shall be subject to all
14 of the following:

15 "(1) Section 27-1-17.

16 "(2) Chapter 56.

17 "(3) Chapter 54.

18 "(4) Chapter 57.

19 "(5) Chapter 58.

20 "(6) Chapter 59.

21 "(7) Rules ~~promulgated~~ adopted by the Commissioner
22 of Insurance pursuant to Sections 27-7-43 and 27-7-44.

23 "(8) Chapter 12A.

24 "(9) Chapter 54A.

25 "(10) Chapter 2B.

26 "(11) Chapter 29.

27 "(12) Chapter 62.

1 "(13) Section 1 of the act adding this subdivision."

2 Section 3. This act shall become effective on

3 October 1, 2021.