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## OLR Bill Analysis

**SB 1003 (File 363, as amended by Senate "A")\***

***AN ACT PROHIBITING CERTAIN HEALTH CARRIERS AND PHARMACY BENEFITS MANAGERS FROM EMPLOYING COPAY ACCUMULATOR PROGRAMS.***

### **SUMMARY**

This bill requires certain health carriers and pharmacy benefits managers, when calculating a covered individual's cost sharing liability (e.g., coinsurance, copayment, deductible) for a covered benefit, to credit discounts provided and payments made by a third party for any portion of the cost sharing. Thus, the bill prohibits copay accumulator programs, under which drug manufacturer coupons and copay assistance generally do not apply toward a covered individual's cost-sharing responsibility.

The bill applies to each insurer, hospital or medical service corporation, HMO, or fraternal benefit society that delivers, issues, renews, amends, or continues in Connecticut on or after January 1, 2022, individual or group health insurance policies that cover (1) basic hospital expenses; (2) basic medical-surgical expenses; (3) major medical expenses; or (4) hospital or medical services, including those provided under an HMO plan. It also applies to managed care organizations that deliver, issue, renew, amend, or continue contracts in Connecticut on or after January 1, 2022, and pharmacy benefit managers entering into contracts with health carriers on or after that date.

\*Senate Amendment "A" adds explicit reference to discounts provided by third parties.

EFFECTIVE DATE: January 1, 2022

### **COMMITTEE ACTION**

Insurance and Real Estate Committee

Joint Favorable

Yea 18 Nay 0 (03/22/2021)