OLR Bill Analysis

sHB 5386

AN ACT CONCERNING HEALTH INSURANCE COVERAGE FOR EPINEPHRINE CARTRIDGE INJECTORS, HEALTH CARRIERS AND PHARMACY BENEFIT MANAGERS.

SUMMARY

This bill (1) requires certain individual and group health insurance policies that cover outpatient prescription drugs to cover at least one epinephrine cartridge injector (e.g., EpiPen) and (2) caps an insured's cost sharing (e.g., copayment, coinsurance, or deductible) for the injector at $25. (It is unclear if the coverage requirement is for at least one injector each year or for the lifetime of the policy.)

By law, an "epinephrine cartridge injector" is an automatic prefilled cartridge injector or similar injectable device used to deliver epinephrine in a standard dose as an emergency first aid response to allergic reactions.

Additionally, the bill requires each contract between a health carrier (e.g., insurer or HMO) and a pharmacy benefits manager (PBM) that requires the PBM to administer a health care plan's pharmacy benefits on the carrier's behalf to also require the PBM to include at least one covered epinephrine cartridge injector in the lowest cost-sharing tier if it uses a tiered prescription drug formulary (i.e., list of covered drugs).

EFFECTIVE DATE: January 1, 2023

APPLICABILITY OF INSURANCE COVERAGE REQUIREMENT

The bill's coverage requirement applies to fully-insured individual and group health insurance policies delivered, issued, renewed, amended, or continued in Connecticut on or after January 1, 2023, that cover (1) basic hospital expenses; (2) basic medical-surgical expenses; (3) major medical expenses; (4) hospital or medical services, including those provided under an HMO plan; or (5) single service ancillary coverage, including prescription drug coverage. Because of the federal Employee Retirement Income Security Act (ERISA), state insurance benefit mandates do not apply to self-insured benefit plans.

APPLICABILITY OF COST-SHARING LIMITATION

The bill's cost-sharing limitation applies to each plan described above. However, for plans that are high deductible health plans (HDHPs), it applies only to the maximum extent (1) permitted by federal law and (2) that does not disqualify someone who establishes a health savings account (HSA), medical savings account (MSA), or Archer MSA from receiving the associated federal tax benefits. Under federal law, individuals with eligible HDHPs may make pre-tax contributions to an HSA, MSA, or Archer MSA and use the account for qualified medical expenses.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute
Yea 16 Nay 1 (03/22/2022)