



General Assembly

Amendment

February Session, 2022

LCO No. 5940



Offered by:

SEN. KELLY, 21st Dist.

SEN. HWANG, 28th Dist.

To: Subst. Senate Bill No. 355

File No. 354

Cal. No. 252

**"AN ACT ESTABLISHING THE 340B DRUG PRICING
NONDISCRIMINATION ACT."**

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective from passage*) (a) For the purposes of this
4 section:

5 (1) "Affordable Care Act" has the same meaning as provided in
6 section 38a-1080 of the general statutes;

7 (2) "Exchange" means the Connecticut Health Insurance Exchange
8 established under section 38a-1081 of the general statutes; and

9 (3) "Office" means the Office of Health Strategy established under
10 section 19a-754a of the general statutes, as amended by this act.

11 (b) The office shall, in conjunction with the Office of Policy and
12 Management, the Insurance Department and the Health Reinsurance

13 Association created under section 38a-556 of the general statutes, seek a
14 state innovation waiver under Section 1332 of the Affordable Care Act
15 to establish a reinsurance program pursuant to subsection (d) of this
16 section.

17 (c) Subject to the approval of a waiver described in subsection (b) of
18 this section, the office, not later than September 1, 2023, for plan year
19 2024 and annually thereafter for the subsequent plan year, shall:

20 (1) Determine the amount needed, not to exceed twenty-one million
21 two hundred ten thousand dollars, annually, to fund the reinsurance
22 program established pursuant to subsection (d) of this section; and

23 (2) Inform the Office of Policy and Management of the amount
24 determined pursuant to subdivision (1) of this subsection.

25 (d) The amount described in subsection (c) of this section shall be
26 utilized to establish a reinsurance program for the individual health
27 insurance market designed to lower premiums on health benefit plans
28 sold in such market, on and off the exchange, provided the federal
29 government approves the waiver described in subsection (b) of this
30 section. Any such reinsurance program shall be administered by the
31 Health Reinsurance Association. The Treasurer shall annually pay the
32 amount as described in subsection (c) of this section for the purpose of
33 administering such reinsurance program.

34 (e) If the waiver described in subsection (b) of this section terminates
35 and the office does not obtain another waiver pursuant to subsection (a)
36 of this section, the Treasurer shall cease paying the amount described in
37 subsection (c) of this section for the purpose of administering the
38 reinsurance program established pursuant to subsection (d) of this
39 section.

40 Sec. 2. (*Effective from passage*) Not later than January 1, 2023, the
41 Insurance Department shall prepare and submit a report, in accordance
42 with section 11-4a of the general statutes, to the joint standing committee
43 of the General Assembly having cognizance of matters relating to

44 insurance. Such report shall include, but need not be limited to, an
 45 analysis of pharmacy benefit manager distribution of prescription drug
 46 practices regarding spread pricing arrangements, manufacturing
 47 rebates and transparency and accountability.

48 Sec. 3. (*Effective from passage*) Not later than January 1, 2023, the
 49 Department of Public Health and State Comptroller shall prepare and
 50 submit a report, in accordance with section 11-4a of the general statutes,
 51 to the joint standing committee of the General Assembly having
 52 cognizance of matters relating to insurance. Such report shall include an
 53 analysis of state purchasing pools for prescription drugs and health care
 54 supplies, and shall describe: (1) Whether current pool purchasing
 55 arrangements with other states are resulting in cost savings in the state;
 56 and (2) whether other potential pool purchasing relationships may
 57 result in lower prescription drug and health care costs."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	New section