

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 957 Session of 2021

INTRODUCED BY MASTRIANO, LAUGHLIN, PITTMAN AND STEFANO,
NOVEMBER 23, 2021

REFERRED TO BANKING AND INSURANCE, NOVEMBER 23, 2021

AN ACT

1 Amending the act of May 17, 1921 (P.L.682, No.284), entitled "An
2 act relating to insurance; amending, revising, and
3 consolidating the law providing for the incorporation of
4 insurance companies, and the regulation, supervision, and
5 protection of home and foreign insurance companies, Lloyds
6 associations, reciprocal and inter-insurance exchanges, and
7 fire insurance rating bureaus, and the regulation and
8 supervision of insurance carried by such companies,
9 associations, and exchanges, including insurance carried by
10 the State Workmen's Insurance Fund; providing penalties; and
11 repealing existing laws," in casualty insurance, providing
12 for insulin coverage.

13 The General Assembly of the Commonwealth of Pennsylvania
14 hereby enacts as follows:

15 Section 1. The act of May 17, 1921 (P.L.682, No.284), known
16 as The Insurance Company Law of 1921, is amended by adding a
17 section to read:

18 Section 635.8. Coverage for Insulin.--(a) A health
19 insurance policy providing prescription coverage of insulin may
20 not impose on a covered individual a copayment, coinsurance or
21 deductible of more than thirty dollars (\$30) per thirty-day
22 supply of insulin, regardless of the amount or type of insulin
23 needed to fill the covered individual's prescription.

1 (b) Nothing in this section shall prevent a health insurance
2 policy from offering a lesser monthly price for a thirty-day
3 supply of insulin than the price provided under subsection (a).

4 (c) The Insurance Department may promulgate regulations as
5 necessary to implement and enforce the maximum price established
6 under this section.

7 (d) This section shall not apply to the following types of
8 policies:

9 (1) Accident only.

10 (2) Fixed indemnity.

11 (3) Hospital indemnity.

12 (4) Limited benefit.

13 (5) Credit.

14 (6) Dental.

15 (7) Vision.

16 (8) Specified disease.

17 (9) Medicare supplement.

18 (10) CHAMPUS (Civilian Health and Medical Program for the
19 Uniform Services) supplement.

20 (11) Long-term care or disability income.

21 (12) Workers' compensation.

22 (13) Automobile medical payment.

23 (e) The Attorney General shall investigate pricing of
24 prescription insulin drugs to ensure that adequate pricing is
25 achieved and to determine if additional consumer protections are
26 necessary. As part of this investigation, the Attorney General
27 shall gather, compile and analyze information that the Attorney
28 General finds necessary to satisfy the requirements under this
29 section from a business entity that engages in the manufacture
30 or sale of prescription insulin drugs. As part of this

1 investigation, the Attorney General shall also consider publicly
2 available information regarding drug pricing.

3 (f) The Attorney General shall submit the findings of the
4 investigation under subsection (e) in a report to the General
5 Assembly, which shall be made accessible to the public no later
6 than one year after the effective date of this section. The
7 report shall include, but not be limited to:

8 (1) A summary of insulin pricing practices and factors that
9 contribute to the pricing of health insurance plans.

10 (2) Public policy recommendations to control and prevent
11 overpricing of prescription insulin drugs made available to
12 consumers in this Commonwealth.

13 (3) Any other information the Attorney General finds
14 necessary to complete the report.

15 (g) If necessary to satisfy the reporting requirements under
16 subsection (f), the Attorney General may issue a civil
17 investigative demand to a Commonwealth agency, an insurer, a
18 pharmacy benefit manager or a business entity that engages in
19 the manufacture or sale of prescription insulin drugs for
20 materials, answers, data or any other relevant information.
21 Nothing in the subsection shall be construed to require a party
22 upon whom a civil investigative demand is issued to disclose a
23 trade secret as defined in 13 Pa.C.S. § 5302 (relating to
24 definitions).

25 Section 2. This act shall take effect in 60 days.