
Health Care & Wellness Committee

SSB 5610

Brief Description: Requiring cost sharing for prescription drugs to be counted against an enrollee's obligation, regardless of source.

Sponsors: Senate Committee on Health & Long Term Care (originally sponsored by Senators Frockt, Cleveland, Conway, Dhingra, Hasegawa, Honeyford, Keiser, Kuderer, Lias, Lovelett, Lovick, Randall, Robinson, Saldaña, Salomon, Stanford, Van De Wege and Wilson, C.).

<p style="text-align: center;">Brief Summary of Substitute Bill</p> <ul style="list-style-type: none">• Requires certain third-party payments to count towards an enrollee's cost-sharing obligation or out-of-pocket maximum for certain health plans.
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Hearing Date: 2/17/22

Staff: Jim Morishima (786-7191).

Background:

Health plans may impose cost-sharing as part of the prescription drug benefit of a health plan. This cost-sharing can vary depending on the health plan and the type of drug. Generally, enrollee cost-sharing for prescription drugs counts against the enrollee's out-of-pocket maximum, which is the enrollee's maximum financial responsibility for the plan year. However, federal law permits health carriers to restrict whether third-party payments count toward the out-of-pocket maximum.

Summary of Bill:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

For non-grandfathered health plans (including health plans offered to state and school employees) issued or renewed on or after January 1, 2023, a health carrier or a health care benefit manager must include cost-sharing amounts paid on behalf of the enrollee for certain prescription drugs when calculating the enrollee's contribution to any applicable cost-sharing or out-of-pocket maximum. The amounts must be applied toward the enrollee's applicable cost-sharing or out-of-pocket maximum in full at the time it is rendered.

This requirement is applicable to drugs that either do not have a generic equivalent or drugs for which the enrollee obtained access via prior authorization, step therapy, or an exception process. The requirement does not apply, however, to drugs not subject to a deductible.

The requirement does not apply to a qualifying health plan for a health savings account to the extent necessary to preserve the enrollee's ability to claim tax exempt contributions and withdrawals from a health savings account under Internal Revenue Service laws, regulations, and guidance.

The Insurance Commissioner may adopt any rules necessary to implement these requirements.

Appropriation: None.

Fiscal Note: Available on original bill. New fiscal note requested on February 8, 2022.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.