Sixty-eighth Legislative Assembly of North Dakota

SENATE BILL NO. 2140

Introduced by

Senators Mathern, Dever

Representatives Hanson, McLeod, Pyle, Schauer

- 1 A BILL for an Act to create and enact section 26.1-36-09.16 of the North Dakota Century Code,
- 2 relating to accident and health insurance coverage of diabetes drugs and supplies; to amend
- 3 and reenact section 26.1-36.6-03 of the North Dakota Century Code, relating to public
- 4 employees self-insurance health plans; to provide for application; to provide an effective date;
- 5 and to declare an emergency.

6 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

- 7 **SECTION 1.** Section 26.1-36-09.16 of the North Dakota Century Code is created and 8 enacted as follows:
- 9 <u>26.1-36-09.16. Insulin drug and supply cost-sharing limitations and formulary</u>
- 10 <u>limitations</u>.
- 11 1. As used in this section:
- 12 <u>a. "Insulin drug" means a prescription drug that contains insulin and is used to treat</u>
- a form of diabetes mellitus. The term does not include an insulin pump, an
- 14 <u>electronic insulin-administering smart pen, or a continuous glucose monitor, or</u>
- 15 <u>supplies needed specifically for the use of such electronic devices. The term</u>
- 16 <u>includes insulin in the following categories:</u>
- 17 (1) Rapid-acting insulin;
- 18 (2) Short-acting insulin;
- 19 (3) <u>Intermediate-acting insulin;</u>
- 20 (4) Long-acting insulin;
- 21 (5) Premixed insulin product;
- 22 (6) Premixed insulin/GLP-1 RA product; and
- 23 (7) Concentrated human regular insulin.

| 1 | | <u>b.</u> | "Medical supplies for insulin dosing and administration" means supplies needed | | |
|----|-----------|---|--|--|--|
| 2 | | | for proper insulin dosing, as well as supplies needed to detect or address medical | | |
| 3 | | | emergencies in an individual using insulin to manage diabetes mellitus. The term | | |
| 4 | | | does not include an insulin pump, an electronic insulin-administering smart pen, | | |
| 5 | | | or a continuous glucose monitor, or supplies needed specifically for the use of | | |
| 6 | | | such electronic devices. The term includes: | | |
| 7 | | | <u>(1)</u> | Blood glucose meters; | |
| 8 | | | <u>(2)</u> | Blood glucose test strips; | |
| 9 | | | <u>(3)</u> | Lancing devices and lancets; | |
| 10 | | | <u>(4)</u> | Ketone testing supplies, such as urine strips, blood ketone meters, and | |
| 11 | | | | blood ketone strips; | |
| 12 | | | <u>(5)</u> | Glucagon, injectable or nasal forms; | |
| 13 | | | <u>(6)</u> | Insulin pen needles; and | |
| 14 | | | <u>(7)</u> | Insulin syringes. | |
| 15 | | <u>C.</u> | "Pharmacy or distributor" means a pharmacy or medical supply company, or | | |
| 16 | | | <u>othe</u> | er medication or medical supply distributor filling a covered individual's | |
| 17 | | | pres | scriptions. | |
| 18 | | <u>d.</u> | "Policy" means an accident and health insurance policy, contract, or evidence of | | |
| 19 | | | COV | erage on a group, individual, blanket, franchise, or association basis. | |
| 20 | <u>2.</u> | <u>An</u> | An insurer may not deliver, issue, execute, or renew a policy that provides coverage | | |
| 21 | | for an insulin drug or medical supplies for insulin dosing and administration unles | | | |
| 22 | | pol | policy complies with this section. | | |
| 23 | <u>3.</u> | The | The policy must provide cost-sharing for a thirty-day supply of: | | |
| 24 | | <u>a.</u> | <u>Pre</u> | scribed insulin drugs which may not exceed twenty-five dollars per pharmacy | |
| 25 | | | or d | listributor, regardless of the quantity or type of insulin drug used to fill the | |
| 26 | | | COV | ered individual's prescription needs. | |
| 27 | | <u>b.</u> | <u>Pre</u> | scribed medical supplies for insulin dosing and administration, the total of | |
| 28 | | | <u>whi</u> | ch may not exceed twenty-five dollars per pharmacy or distributor, regardless | |
| 29 | | | of th | ne quantity or manufacturer of supplies used to fill the covered individual's | |
| 30 | | | pre | scription needs. | |

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- 4. A policy may not allow a pharmacy benefits manager or the pharmacy or distributor to charge, require the pharmacy or distributor to collect, or require a covered individual to make, a cost-sharing payment for a covered insulin drug or medical supplies for insulin dosing and administration in an amount that exceeds the amount of the cost-sharing payment for the prescribed insulin drugs or prescribed medical supplies for insulin dosing and administration under subsection 3.
 - 5. A policy may not allow for the use of a formulary to determine coverage of an insulin drug or medical supplies for insulin dosing and administration.
- Subsection 3 does not require a policy to implement cost-sharing and does not
 prevent the implementation of cost-sharing in an amount less than the amount
 specified under subsection 3. Subsection 3 does not limit cost-sharing on an insulin
 pump, an electronic insulin-administering smart pen, or a continuous glucose monitor.
 This section does not limit whether a policy classifies an insulin pump, an electronic
 insulin-administering smart pen, or a continuous glucose monitor as a drug or as a
 medical device or supply.
 - **SECTION 2. AMENDMENT.** Section 26.1-36.6-03 of the North Dakota Century Code is amended and reenacted as follows:
 - 26.1-36.6-03. Self-insurance health plans Requirements.
- 1. The following policy provisions apply to a self-insurance health plan or to the administrative services only or third-party administrator, and are subject to the jurisdiction of the commissioner: 26.1-36-03, 26.1-36-03.1, 26.1-36-05, 26.1-36-10, 26.1-36-12, 26.1-36-12.4, 26.1-36-12.6, 26.1-36-13, 26.1-36-14, 26.1-36-17, 26.1-36-18, 26.1-36-19, 26.1-36-23, 26.1-36-29, 26.1-36-37.1, 26.1-36-38, 26.1-36-39, 26.1-36-41, 26.1-36-44, and 26.1-36-46.
 - 2. The following health benefit provisions applicable to a group accident and health insurance policy under chapter 26.1-36 apply to a self-insurance health plan and are subject to the jurisdiction of the commissioner: 26.1-36-06, 26.1-36-06.1, 26.1-36-07, 26.1-36-08, 26.1-36-08.1, 26.1-36-09, 26.1-36-09.1, 26.1-36-09.2, 26.1-36-09.3, 26.1-36-09.5, 26.1-36-09.6, 26.1-36-09.7, 26.1-36-09.8, 26.1-36-09.9, 26.1-36-09.10, 26.1-36-09.11, 26.1-36-09.12, 26.1-36-09.13, 26.1-36-09.14, 26.1-36-09.15,

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- 1 <u>26.1-36-09.16</u>, 26.1-36-11, 26.1-36-12.2, 26.1-36-20, 26.1-36-21, 26.1-36-22,
- 2 26.1-36-23.1, and 26.1-36-43.
- 3 **SECTION 3. APPLICATION.** This Act applies to a policy delivered, issued, executed, or
- 4 renewed after June 30, 2023.
- 5 **SECTION 4. EFFECTIVE DATE.** This Act becomes effective July 1, 2023.
- 6 **SECTION 5. EMERGENCY.** This Act is declared to be an emergency measure.