

**ASSEMBLY, No. 553**

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**STATE OF NEW JERSEY**

**220th LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

**Sponsored by:**

**Assemblyman ROBERT J. KARABINCHAK**

**District 18 (Middlesex)**

**Assemblywoman ANNETTE QUIJANO**

**District 20 (Union)**

**Assemblyman CLINTON CALABRESE**

**District 36 (Bergen and Passaic)**

**Co-Sponsored by:**

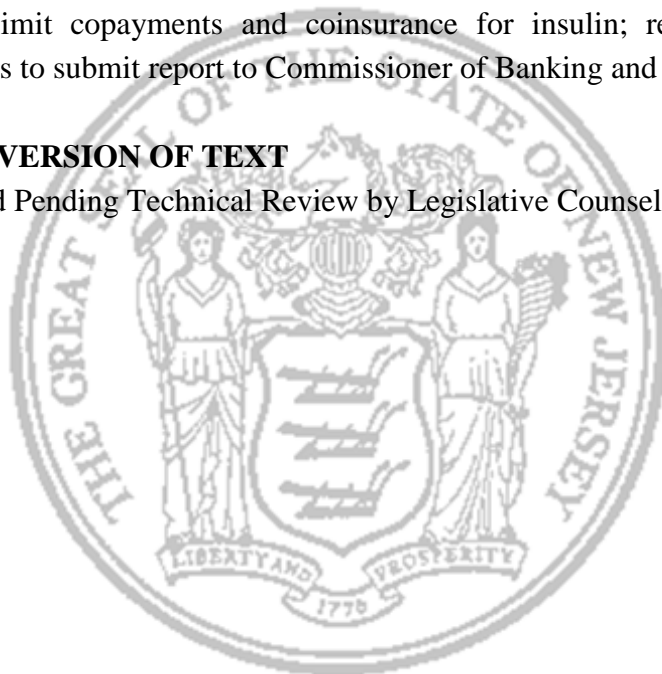
**Assemblywoman Lampitt, Assemblyman Freiman, Assemblywoman Timberlake, Assemblyman Benson, Assemblywoman Reynolds-Jackson, Assemblymen DeAngelo, Stanley, Assemblywoman Jasey and Assemblyman Giblin**

**SYNOPSIS**

Provides that purchase of insulin is not subject to deductible; requires health insurers to limit copayments and coinsurance for insulin; requires insulin manufacturers to submit report to Commissioner of Banking and Insurance.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 3/17/2022)**

1 AN ACT concerning cost sharing for insulin, amending P.L.1995,  
2 c.331, and supplementing various parts of the statutory law.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. (New section) The Legislature finds and declares that:

8 a. The rising cost of insulin has created an affordability crisis that  
9 threatens the health and financial well-being of many diabetes patients.

10 b. Research by the non-partisan Health Care Cost Institute found  
11 that prices for insulin nearly doubled over the five year period from  
12 2012 to 2016 and other studies show that prices for insulin have  
13 increased by 700% over the past two decades.

14 c. The lack of competition, transparency, and accountability in  
15 the prescription drug market has allowed manufacturers of insulin to  
16 exert extraordinary pricing power.

17 d. While insulin products have been on the market for almost a  
18 century, there is limited competition from lower-cost generics, in part  
19 due to aggressive efforts by brand name drug manufacturers to block  
20 the entry of generic insulin products into the market.

21 e. Even consumers with health insurance may face a lack of  
22 access to insulin due to the plan design of some health insurance  
23 policies.

24 f. For consumers without insurance, or with insurance coverage  
25 not subject to New Jersey State law, access to current and reliable cost  
26 information may be helpful to consumers and researchers trying to  
27 better understand the true cost of insulin.

28 g. It is, therefore, in the public interest to protect consumers by  
29 mandating insurance coverage cost sharing maximums in New Jersey  
30 to improve consumer access to insulin, and to provide for transparency  
31 and publication of drug company pricing of insulin.

32

33 2. Section 1 of P.L.1995, c.331 (C.17:48-6n) is amended to read  
34 as follows:

35 1. a. Every individual or group hospital service corporation  
36 contract providing hospital or medical expense benefits that is  
37 delivered, issued, executed or renewed in this State pursuant to  
38 P.L.1938, c.366 (C.17:48-1 et seq.) or approved for issuance or  
39 renewal in this State by the Commissioner of Banking and Insurance  
40 on or after the effective date of this act shall provide benefits to any  
41 subscriber or other person covered thereunder for expenses incurred  
42 for the following equipment and supplies for the treatment of diabetes,  
43 if recommended or prescribed by a physician or nurse  
44 practitioner/clinical nurse specialist: blood glucose monitors and  
45 blood glucose monitors for the legally blind; test strips for glucose

**EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 monitors and visual reading and urine testing strips; insulin; injection  
2 aids; cartridges for the legally blind; syringes; insulin pumps and  
3 appurtenances thereto; insulin infusion devices; and oral agents for  
4 controlling blood sugar. Coverage for the purchase of insulin shall not  
5 be subject to any deductible, and no copayment or coinsurance for the  
6 purchase of insulin shall exceed \$50 per 30 day supply.

7 b. Each individual or group hospital service corporation contract  
8 shall also provide benefits for expenses incurred for diabetes self-  
9 management education to ensure that a person with diabetes is  
10 educated as to the proper self-management and treatment of their  
11 diabetic condition, including information on proper diet. Benefits  
12 provided for self-management education and education relating to diet  
13 shall be limited to visits medically necessary upon the diagnosis of  
14 diabetes; upon diagnosis by a physician or nurse practitioner/clinical  
15 nurse specialist of a significant change in the subscriber's or other  
16 covered person's symptoms or conditions which necessitate changes in  
17 that person's self-management; and upon determination of a physician  
18 or nurse practitioner/clinical nurse specialist that reeducation or  
19 refresher education is necessary. Diabetes self-management education  
20 shall be provided by a dietitian registered by a nationally recognized  
21 professional association of dietitians or a health care professional  
22 recognized as a Certified Diabetes Educator by the American  
23 Association of Diabetes Educators or a registered pharmacist in the  
24 State qualified with regard to management education for diabetes by  
25 any institution recognized by the board of pharmacy of the State of  
26 New Jersey.

27 c. The benefits required by this section shall be provided to the  
28 same extent as for any other sickness under the contract.

29 d. This section shall apply to all hospital service corporation  
30 contracts in which the hospital service corporation has reserved the  
31 right to change the premium.

32 e. The provisions of this section shall not apply to a health  
33 benefits plan subject to the provisions of P.L.1992, c.161 (C.17B:27A-  
34 2 et seq.) or P.L.1992, c.162 (C.17B:27A-17 et seq.).

35 f. The Commissioner of Banking and Insurance may, in  
36 consultation with the Commissioner of Health, pursuant to the  
37 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.),  
38 promulgate and periodically update a list of additional diabetes  
39 equipment and related supplies that are medically necessary for the  
40 treatment of diabetes and for which benefits shall be provided  
41 according to the provisions of this section.

42 (cf: P.L.1995, c.331, s.1)

43

44 3. Section 2 of P.L.1995, c.331 (C.17:48A-71) is amended to read  
45 as follows:

46 2. a. Every individual or group medical service corporation  
47 contract providing hospital or medical expense benefits that is  
48 delivered, issued, executed or renewed in this State pursuant to

1 P.L.1940, c.74 (C.17:48A-1 et seq.) or approved for issuance or  
2 renewal in this State by the Commissioner of Banking and Insurance  
3 on or after the effective date of this act shall provide benefits to any  
4 subscriber or other person covered thereunder for expenses incurred  
5 for the following equipment and supplies for the treatment of diabetes,  
6 if recommended or prescribed by a physician or nurse  
7 practitioner/clinical nurse specialist: blood glucose monitors and  
8 blood glucose monitors for the legally blind; test strips for glucose  
9 monitors and visual reading and urine testing strips; insulin; injection  
10 aids; cartridges for the legally blind; syringes; insulin pumps and  
11 appurtenances thereto; insulin infusion devices; and oral agents for  
12 controlling blood sugar. Coverage for the purchase of insulin shall not  
13 be subject to any deductible, and no copayment or coinsurance for the  
14 purchase of insulin shall exceed \$50 per 30 day supply.

15 b. Each individual or group medical service corporation contract  
16 shall also provide benefits for expenses incurred for diabetes self-  
17 management education to ensure that a person with diabetes is  
18 educated as to the proper self-management and treatment of their  
19 diabetic condition, including information on proper diet. Benefits  
20 provided for self-management education and education relating to diet  
21 shall be limited to visits medically necessary upon the diagnosis of  
22 diabetes; upon diagnosis by a physician or nurse practitioner/clinical  
23 nurse specialist of a significant change in the subscriber's or other  
24 covered person's symptoms or conditions which necessitate changes in  
25 that person's self-management; and upon determination of a physician  
26 or nurse practitioner/clinical nurse specialist that reeducation or  
27 refresher education is necessary. Diabetes self-management education  
28 shall be provided by a dietitian registered by a nationally recognized  
29 professional association of dietitians or a health care professional  
30 recognized as a Certified Diabetes Educator by the American  
31 Association of Diabetes Educators or a registered pharmacist in the  
32 State qualified with regard to management education for diabetes by  
33 any institution recognized by the board of pharmacy of the State of  
34 New Jersey.

35 c. The benefits required by this section shall be provided to the  
36 same extent as for any other sickness under the contract.

37 d. This section shall apply to all medical service corporation  
38 contracts in which the medical service corporation has reserved the  
39 right to change the premium.

40 e. The provisions of this section shall not apply to a health  
41 benefits plan subject to the provisions of P.L.1992, c.161 (C.17B:27A-  
42 2 et seq.) or P.L.1992, c.162 (C.17B:27A-17 et seq.).

43 f. The Commissioner of Banking and Insurance may, in  
44 consultation with the Commissioner of Health, pursuant to the  
45 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.),  
46 promulgate and periodically update a list of additional diabetes  
47 equipment and related supplies that are medically necessary for the

1 treatment of diabetes and for which benefits shall be provided  
2 according to the provisions of this section.

3 (cf: P.L.1995, c.331, s.2)

4

5 4. Section 3 of P.L.1995, c.331 (C.17:48E-35.11) is amended to  
6 read as follows:

7 3. a. Every individual or group health service corporation  
8 contract providing hospital or medical expense benefits that is  
9 delivered, issued, executed or renewed in this State pursuant to  
10 P.L.1985, c.236 (C.17:48E-1 et seq.) or approved for issuance or  
11 renewal in this State by the Commissioner of Banking and Insurance  
12 on or after the effective date of this act shall provide benefits to any  
13 subscriber or other person covered thereunder for expenses incurred  
14 for the following equipment and supplies for the treatment of diabetes,  
15 if recommended or prescribed by a physician or nurse  
16 practitioner/clinical nurse specialist: blood glucose monitors and  
17 blood glucose monitors for the legally blind; test strips for glucose  
18 monitors and visual reading and urine testing strips; insulin; injection  
19 aids; cartridges for the legally blind; syringes; insulin pumps and  
20 appurtenances thereto; insulin infusion devices; and oral agents for  
21 controlling blood sugar. Coverage for the purchase of insulin shall not  
22 be subject to any deductible, and no copayment or coinsurance for the  
23 purchase of insulin shall exceed \$50 per 30 day supply.

24 b. Each individual or group health service corporation contract  
25 shall also provide benefits for expenses incurred for diabetes self-  
26 management education to ensure that a person with diabetes is  
27 educated as to the proper self-management and treatment of their  
28 diabetic condition, including information on proper diet. Benefits  
29 provided for self-management education and education relating to diet  
30 shall be limited to visits medically necessary upon the diagnosis of  
31 diabetes; upon the diagnosis by a physician or nurse  
32 practitioner/clinical nurse specialist of a significant change in the  
33 subscriber's or other covered person's symptoms or conditions which  
34 necessitate changes in that person's self-management; and upon  
35 determination of a physician or nurse practitioner/clinical nurse  
36 specialist that reeducation or refresher education is necessary.  
37 Diabetes self-management education shall be provided by a dietitian  
38 registered by a nationally recognized professional association of  
39 dietitians or a health care professional recognized as a Certified  
40 Diabetes Educator by the American Association of Diabetes Educators  
41 or a registered pharmacist in the State qualified with regard to  
42 management education for diabetes by any institution recognized by  
43 the board of pharmacy of the State of New Jersey.

44 c. The benefits required by this section shall be provided to the  
45 same extent as for any other sickness under the contract.

46 d. This section shall apply to all health service corporation  
47 contracts in which the health service corporation has reserved the right  
48 to change the premium.

1 e. The provisions of this section shall not apply to a health  
2 benefits plan subject to the provisions of P.L.1992, c.161 (C.17B:27A-  
3 2 et seq.) or P.L.1992, c.162 (C.17B:27A-17 et seq.).

4 f. The Commissioner of Banking and Insurance may, in  
5 consultation with the Commissioner of Health, pursuant to the  
6 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.),  
7 promulgate and periodically update a list of additional diabetes  
8 equipment and related supplies that are medically necessary for the  
9 treatment of diabetes and for which benefits shall be provided  
10 according to the provisions of this section.

11 (cf: P.L.1995, c.331, s.3)

12

13 5. Section 4 of P.L.1995, c.331 (C.17B:26-2.11) is amended to  
14 read as follows:

15 4. a. Every individual health insurance policy providing hospital  
16 or medical expense benefits that is delivered, issued, executed or  
17 renewed in this State pursuant to Chapter 26 of Title 17B of the New  
18 Jersey Statutes or approved for issuance or renewal in this State by the  
19 Commissioner of Banking and Insurance on or after the effective date  
20 of this act shall provide benefits to any person covered thereunder for  
21 expenses incurred for the following equipment and supplies for the  
22 treatment of diabetes, if recommended or prescribed by a physician or  
23 nurse practitioner/clinical nurse specialist: blood glucose monitors and  
24 blood glucose monitors for the legally blind; test strips for glucose  
25 monitors and visual reading and urine testing strips; insulin; injection  
26 aids; cartridges for the legally blind; syringes; insulin pumps and  
27 appurtenances thereto; insulin infusion devices; and oral agents for  
28 controlling blood sugar. Coverage for the purchase of insulin shall not  
29 be subject to any deductible, and no copayment or coinsurance for the  
30 purchase of insulin shall exceed \$50 per 30 day supply.

31 b. Each individual health insurance policy shall also provide  
32 benefits for expenses incurred for diabetes self-management education  
33 to ensure that a person with diabetes is educated as to the proper self-  
34 management and treatment of their diabetic condition, including  
35 information on proper diet. Benefits provided for self-management  
36 education and education relating to diet shall be limited to visits  
37 medically necessary upon the diagnosis of diabetes; upon diagnosis by  
38 a physician or nurse practitioner/clinical nurse specialist of a  
39 significant change in the covered person's symptoms or conditions  
40 which necessitate changes in that person's self-management; and upon  
41 determination of a physician or nurse practitioner/clinical nurse  
42 specialist that reeducation or refresher education is necessary.  
43 Diabetes self-management education shall be provided by a dietitian  
44 registered by a nationally recognized professional association of  
45 dietitians or a health care professional recognized as a Certified  
46 Diabetes Educator by the American Association of Diabetes Educators  
47 or a registered pharmacist in the State qualified with regard to

1 management education for diabetes by any institution recognized by  
2 the board of pharmacy of the State of New Jersey.

3 c. The benefits required by this section shall be provided to the  
4 same extent as for any other sickness under the policy.

5 d. This section shall apply to all individual health insurance  
6 policies in which the insurer has reserved the right to change the  
7 premium.

8 e. The provisions of this section shall not apply to a health  
9 benefits plan subject to the provisions of P.L.1992, c.161 (C.17B:27A-  
10 2 et seq.) or P.L.1992, c.162 (C.17B:27A-17 et seq.).

11 f. The Commissioner of Banking and Insurance may, in  
12 consultation with the Commissioner of Health, pursuant to the  
13 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.),  
14 promulgate and periodically update a list of additional diabetes  
15 equipment and related supplies that are medically necessary for the  
16 treatment of diabetes and for which benefits shall be provided  
17 according to the provisions of this section.

18 (cf: P.L.1995, c.331, s.4)

19

20 6. Section 5 of P.L.1995, c.331 (C.17B:27-46.1m) is amended to  
21 read as follows:

22 5. a. Every group health insurance policy providing hospital or  
23 medical expense benefits that is delivered, issued, executed or renewed  
24 in this State pursuant to Chapter 27 of Title 17B of the New Jersey  
25 Statutes or approved for issuance or renewal in this State by the  
26 Commissioner of Banking and Insurance on or after the effective date  
27 of this act shall provide benefits to any person covered thereunder for  
28 expenses incurred for the following equipment and supplies for the  
29 treatment of diabetes, if recommended or prescribed by a physician or  
30 nurse practitioner/clinical nurse specialist: blood glucose monitors and  
31 blood glucose monitors for the legally blind; test strips for glucose  
32 monitors and visual reading and urine testing strips; insulin; injection  
33 aids; cartridges for the legally blind; syringes; insulin pumps and  
34 appurtenances thereto; insulin infusion devices; and oral agents for  
35 controlling blood sugar. Coverage for the purchase of insulin shall not  
36 be subject to any deductible, and no copayment or coinsurance for the  
37 purchase of insulin shall exceed \$50 per 30 day supply.

38 b. Each group health insurance policy shall also provide benefits  
39 for expenses incurred for diabetes self-management education to  
40 ensure that a person with diabetes is educated as to the proper self-  
41 management and treatment of their diabetic condition, including  
42 information on proper diet. Benefits provided for self-management  
43 education and education relating to diet shall be limited to visits  
44 medically necessary upon the diagnosis of diabetes; upon diagnosis by  
45 a physician or nurse practitioner/clinical nurse specialist of a  
46 significant change in the covered person's symptoms or conditions  
47 which necessitate changes in that person's self-management; and upon  
48 determination of a physician or nurse practitioner/clinical nurse

1 specialist that reeducation or refresher education is necessary.  
2 Diabetes self-management education shall be provided by a dietitian  
3 registered by a nationally recognized professional association of  
4 dietitians or a health care professional recognized as a Certified  
5 Diabetes Educator by the American Association of Diabetes Educators  
6 or a registered pharmacist in the State qualified with regard to  
7 management education for diabetes by any institution recognized by  
8 the board of pharmacy of the State of New Jersey.

9 c. The benefits required by this section shall be provided to the  
10 same extent as for any other sickness under the policy.

11 d. This section shall apply to all group health insurance policies in  
12 which the insurer has reserved the right to change the premium.

13 e. The provisions of this section shall not apply to a health  
14 benefits plan subject to the provisions of P.L.1992, c.161 (C.17B:27A-  
15 2 et seq.) or P.L.1992, c.162 (C.17B:27A-17 et seq.).

16 f. The Commissioner of Banking and Insurance may, in  
17 consultation with the Commissioner of Health, pursuant to the  
18 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.),  
19 promulgate and periodically update a list of additional diabetes  
20 equipment and related supplies that are medically necessary for the  
21 treatment of diabetes and for which benefits shall be provided  
22 according to the provisions of this section.

23 (cf: P.L.1995, c.331, s.5)

24

25 7. Section 6 of P.L.1995, c.331 (C.26:2J-4.11) is amended to read  
26 as follows:

27 6. a. Every contract for health care services that is delivered,  
28 issued, executed or renewed in this State pursuant to P.L.1973, c.337  
29 (C.26:2J-1 et seq.) or approved for issuance or renewal in this State on  
30 or after the effective date of this act shall provide health care services  
31 to any enrollee or other person covered thereunder for the following  
32 equipment and supplies for the treatment of diabetes, if recommended  
33 or prescribed by a participating physician or participating nurse  
34 practitioner/clinical nurse specialist: blood glucose monitors and  
35 blood glucose monitors for the legally blind; test strips for glucose  
36 monitors and visual reading and urine testing strips; insulin; injection  
37 aids; cartridges for the legally blind; syringes; insulin pumps and  
38 appurtenances thereto; insulin infusion devices; and oral agents for  
39 controlling blood sugar. Coverage for the purchase of insulin shall not  
40 be subject to any deductible, and no copayment or coinsurance for the  
41 purchase of insulin shall exceed \$50 per 30 day supply.

42 b. Each contract shall also provide health care services for  
43 diabetes self-management education to ensure that a person with  
44 diabetes is educated as to the proper self-management and treatment of  
45 their diabetic condition, including information on proper diet. Health  
46 care services provided for self-management education and education  
47 relating to diet shall be limited to visits medically necessary upon the  
48 diagnosis of diabetes; upon diagnosis by a participating physician or



1 participating nurse practitioner/clinical nurse specialist of a significant  
2 change in the enrollee's or other covered person's symptoms or  
3 conditions which necessitate changes in that person's self-  
4 management; and upon determination of a participating physician or  
5 participating nurse practitioner/clinical nurse specialist that  
6 reeducation or refresher education is necessary. Diabetes self-  
7 management education shall be provided by a participating dietitian  
8 registered by a nationally recognized professional association of  
9 dietitians or a health care professional recognized as a Certified  
10 Diabetes Educator by the American Association of Diabetes Educators  
11 or, pursuant to section 6 of P.L.1993, c.378 (C.26:2J-4.7), a registered  
12 pharmacist in the State qualified with regard to management education  
13 for diabetes by any institution recognized by the board of pharmacy of  
14 the State of New Jersey.

15 c. The health care services required by this section shall be  
16 provided to the same extent as for any other sickness under the  
17 contract.

18 d. This section shall apply to all contracts in which the health  
19 maintenance organization has reserved the right to change the schedule  
20 of charges.

21 e. The provisions of this section shall not apply to a health  
22 benefits plan subject to the provisions of P.L.1992, c.161 (C.17B:27A-  
23 2 et seq.) or P.L.1992, c.162 (C.17B:27A-17 et seq.).

24 f. The Commissioner of Banking and Insurance may, in  
25 consultation with the Commissioner of Health, pursuant to the  
26 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.),  
27 promulgate and periodically update a list of additional diabetes  
28 equipment and related supplies that are medically necessary for the  
29 treatment of diabetes and for which benefits shall be provided  
30 according to the provisions of this section.

31 (cf: P.L.1995, c.331, s.6)

32

33 8. (New section) An individual health benefits plan that provides  
34 hospital and medical expense benefits and is delivered, issued,  
35 executed or renewed in this State pursuant to P.L.1992, c.161  
36 (C.17B:27A-2 et al.), on or after the effective date of P.L. ,  
37 c. (C. ) (pending before the Legislature as this bill), shall provide  
38 coverage to any enrollee or other person covered thereunder for insulin  
39 for the treatment of diabetes, if recommended or prescribed by a  
40 participating physician or participating nurse practitioner/clinical nurse  
41 specialist. Coverage for the purchase of insulin shall not be subject to  
42 any deductible, and no copayment or coinsurance for the purchase of  
43 insulin shall exceed \$50 per 30 day supply.

44 The benefits shall be provided to the same extent as for any other  
45 condition under the health benefits plan.

46 This section shall apply to those health benefits plans in which the  
47 carrier has reserved the right to change the premium.

1           9. (New section) A small employer health benefits plan that  
2 provides hospital and medical expense benefits and is delivered,  
3 issued, executed or renewed in this State pursuant to P.L.1992, c.162  
4 (C.17B:27A-17 et seq.), on or after the effective date of  
5 P.L. , c. (C. ) (pending before the Legislature as this bill), shall  
6 provide coverage to any enrollee or other person covered thereunder  
7 for insulin for the treatment of diabetes, if recommended or prescribed  
8 by a participating physician or participating nurse practitioner/clinical  
9 nurse specialist. Coverage for the purchase of insulin shall not be  
10 subject to any deductible, and no copayment or coinsurance for the  
11 purchase of insulin shall exceed \$50 per 30 day supply.

12           The benefits shall be provided to the same extent as for any other  
13 condition under the health benefits plan.

14           This section shall apply to those health benefits plans in which the  
15 carrier has reserved the right to change the premium.

16

17           10. (New section) The State Health Benefits Commission shall  
18 ensure that every contract purchased or renewed by the commission  
19 on or after the effective date of P.L. , c. (C. ) (pending  
20 before the Legislature as this bill), shall provide coverage for health  
21 care services to any enrollee or other person covered thereunder for  
22 insulin for the treatment of diabetes, if recommended or prescribed  
23 by a participating physician or participating nurse  
24 practitioner/clinical nurse specialist. Coverage for the purchase of  
25 insulin shall not be subject to any deductible, and no copayment or  
26 coinsurance for the purchase of insulin shall exceed \$50 per 30 day  
27 supply. Nothing in this section shall prevent the State Health  
28 Benefits Commission from reducing an enrollee's cost-sharing  
29 requirement by an amount greater than the amount specified in this  
30 section or prevent the commission from utilizing formulary  
31 management, including a mandatory generic policy, to promote the  
32 use of lower-cost alternative generic drugs that are the therapeutic  
33 equivalent of the brand-name drug.

34

35           11. (New section) The School Employees' Health Benefits  
36 Commission shall ensure that every contract purchased by the  
37 commission on or after the effective date of P.L. , c. (C. )  
38 (pending before the Legislature as this bill) that provides hospital  
39 and medical expense benefits shall provide health care services to  
40 any enrollee or other person covered thereunder for insulin for the  
41 treatment of diabetes, if recommended or prescribed by a  
42 participating physician or participating nurse practitioner/clinical  
43 nurse specialist. Coverage for the purchase of insulin shall not be  
44 subject to any deductible, and no copayment or coinsurance for the  
45 purchase of insulin shall exceed \$50 per 30 day supply. Nothing in  
46 this section shall prevent the School Employees' Health Benefits  
47 Commission from reducing an enrollee's cost-sharing requirement  
48 by an amount greater than the amount specified in this section or

1 prevent the commission from utilizing formulary management,  
2 including a mandatory generic policy, to promote the use of lower-  
3 cost alternative generic drugs that are the therapeutic equivalent of  
4 the brand-name drug.

5

6 12. (New section) Every manufacturer of an insulin product shall  
7 submit, not later than January 1, 2022, and annually thereafter, a report  
8 to the Commissioner of Banking and Insurance containing the  
9 following information:

10 a. name of the insulin products currently manufactured;

11 b. identification of whether the insulin products are brand name  
12 or generic drug products;

13 c. total sales of insulin products to New Jersey consumers  
14 quantified in total units and total revenue;

15 d. the effective date and amounts of any changes in the wholesale  
16 acquisition cost or other list prices for insulin during the prior calendar  
17 year;

18 e. aggregate, company-level research and development costs for  
19 insulin over the prior calendar year;

20 f. the name of each of the manufacturer's insulin products that  
21 were approved by the federal Food and Drug Administration in the  
22 previous five calendar years;

23 g. the name of each of the manufacturer's insulin products that  
24 lost patent exclusivity in the United States in the previous five  
25 calendar years; and

26 h. a statement of rationale regarding the factor or factors that  
27 caused the increase in the wholesale acquisition cost or list price  
28 increase for insulin.

29

30 13. Sections 2 through 4, 6, and 7 of this act shall take effect on  
31 the 180th day next following the date of enactment and shall apply to  
32 plans issued or renewed on or after January 1 of the next calendar  
33 year; sections 5, 8, and 9 shall take effect on the 270<sup>th</sup> day next  
34 following the date of enactment and shall apply to plans issued or  
35 renewed after January 1 of the next calendar year; sections 10 and 11  
36 shall take effect on the 90th day next following the date of enactment  
37 and shall apply to contracts purchased on or after that date; and section  
38 12 shall take place immediately.

39

40

41

#### STATEMENT

42

43 This bill makes certain findings and declarations concerning the  
44 rising cost of insulin and requires health benefits plans issued  
45 pursuant to the New Jersey Individual Health Coverage and Small  
46 Employer Health Benefits Programs, the State Health Benefits  
47 Program, and the School Employees' Health Benefits Program, to  
48 provide coverage for insulin for the treatment of diabetes.

1       The bill further requires health insurers (health, hospital and  
2       medical service corporations, commercial individual and group  
3       health insurers, and health maintenance organizations) and health  
4       benefits plans issued pursuant to the New Jersey Individual Health  
5       Coverage and Small Employer Health Benefits Programs, the State  
6       Health Benefits Program, and the School Employees' Health  
7       Benefits Program to provide coverage for the purchase of insulin  
8       that is not subject to any deductible and to limit the copayment or  
9       coinsurance that may be required for an insulin prescription to \$50  
10      per 30 day supply of insulin.

11      The bill specifies that nothing in the bill is to prevent the State  
12      Health Benefits Commission or the School Employees' Health  
13      Benefits Commission from reducing an enrollee's cost-sharing  
14      requirement by an amount greater than the amount specified in the  
15      bill or from utilizing formulary management, including a mandatory  
16      generic policy, to promote the use of lower-cost alternative generic  
17      drugs that are the therapeutic equivalent of the brand-name drug.

18      Lastly, the bill requires insulin manufacturers to submit an  
19      annual report to the Commissioner of Banking and Insurance  
20      containing certain information concerning the manufacture, pricing,  
21      and sales of insulin products.