SPONSOR: Sen. Henry & Rep. Barbieri
Sens. Blevins, Hall-Long & Peterson; Reps. Q. Johnson, Keeley, D.E. Williams & Bolden

DELAWARE STATE SENATE
146th GENERAL ASSEMBLY

SENATE BILL NO. 137

AN ACT TO AMEND TITLE 18 OF THE DELAWARE CODE RELATING TO COST-SHARING, DEDUCTIBLE OR CO-INSURANCE FOR TIER IV OR SPECIALTY TIER PRESCRIPTION DRUGS.

WHEREAS, traditional prescription drug benefit plans include a multi-tiered drug formulary structure. Generic drugs are in the first tier, preferred brand name drugs are in tier two, and non-preferred brand drugs are in tier three, for example. Specialty tiers are typically the fourth or greater tier; and

WHEREAS, specialty tier are commonly prescription drugs to treat conditions such as hemophilia, human immunodeficiency virus (HIV), hepatitis, multiple sclerosis, lupus, some cancers, rheumatoid arthritis, and others; and

WHEREAS, the specialty tier changes the patient's cost from a fixed copayment to a coinsurance as a percent of the cost of the drug; and

WHEREAS, a patient may pay a copayment which is increased with each tier but is a fixed amount for medications on the lower tiers of an insurance formulary; and

WHEREAS, the specialty tiers require the patient to pay a coinsurance or percentage (20-30% or more) of the drug cost;

NOW THEREFORE:

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Title 18 of the Delaware Code by adding a new §3761 to read as follows:

"3361. Specialty Tier Prescription Moratorium and Study.

No health care plan or health insurance policy which provides coverage for prescription drugs and for which cost-sharing, deductibles or co-insurance obligations are determined by category of prescription drugs including, but not limited to, generic drugs, preferred brand drugs and non-preferred brand drugs, shall impose cost-sharing, deductibles or co-insurance obligations for any prescription drug that exceeds the dollar amount of cost-sharing, deductibles or co-insurance obligations for any other prescription drug provided under such coverage in the category of non-preferred brand drugs or their equivalents for a period of one year ending July 1, 2012.

The Delaware Healthcare Commission shall conduct a study for specialty tier prescription drugs to determine the impact on access and patient care. The Delaware Healthcare Commission shall submit a report to the General Assemble summarizing this impact by March 15, 2012."

SYNOPSIS

This Bill creates a moratorium on health insurance providers that charge higher cost sharing for different classification of prescription drugs.

Author: Senator Henry