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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 305
134th General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Liston and Manning

Yosef Schiff, Attorney

SUMMARY

- Prohibits a health plan issuer from imposing cost-sharing on a prescription insulin drug in an amount that exceeds \$35 for a 30-day supply.

DETAILED ANALYSIS

Insulin cost-sharing limit

In the case of a health plan issuer that provides coverage for a prescription insulin drug, the bill prohibits the issuer from imposing cost sharing on the drug in an amount that exceeds \$35 for a 30-day supply. The bill specifies that its prohibition applies regardless of the amount or type of insulin needed to fill the covered person's prescription. The cost sharing must be charged on a per-prescription-fill basis.¹

Exemption from review by the Superintendent of Insurance

The bill's provisions might be considered a mandated health benefit. Under R.C. 3901.71, if the General Assembly enacts a provision for mandated health benefits, that provision cannot be applied to any health benefit plan until the Superintendent of Insurance determines that the provision can be applied fully and equally in all respects to employee benefit plans subject to regulation by the federal "Employee Retirement Income Security Act of 1974," (ERISA),² and to employee benefit plans established or modified by the state or any of its

¹ R.C. 3902.62.

² 29 United States Code (U.S.C.) 1001, as amended.

political subdivisions. ERISA appears to preempt any state regulation of such plans.³ The bill contains provisions that exempt its requirements from this restriction.⁴

Definitions

- “Prescription insulin drug” is a prescription drug that contains insulin and is used to treat diabetes.
- “Cost sharing” means the cost to a covered person under a health benefit plan according to any copayment, coinsurance, deductible, or other out-of-pocket expense requirement.
- “Covered person” means a person covered by a health benefit plan.
- “Health plan issuer” means an entity subject to Ohio’s insurance laws that contracts to provide, pay for, or reimburse any of the costs of health care services. The term includes a sickness and accident insurer, a health insuring corporation, a fraternal benefit society, a self-funded multiple employer welfare arrangement, and a nonfederal, government health plan. The term also includes a third party administrator to the extent that the benefits the administrator is contracted to administer are subject to Ohio insurance laws or to the Superintendent’s jurisdiction.⁵

HISTORY

Action	Date
Introduced	05-11-21

H0305-I-134/ar

³ 29 U.S.C. 1144.

⁴ R.C. 3902.62.

⁵ R.C. 3902.50, with conforming changes in R.C. 3902.60 and 3902.70.