

# HOUSE BILL REPORT

## HB 1725

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**As Reported by House Committee On:**  
Health Care & Wellness

**Title:** An act relating to increased access to insulin for individuals under the age of 21.

**Brief Description:** Increasing access to insulin for individuals under the age of 21.

**Sponsors:** Representatives Maycumber, Riccelli, Fosse, Doglio, Tharinger, Stonier, Barnard, Hutchins, Graham, Mosbrucker, Christian, Reeves, Walen, Gregerson, Ormsby, Reed, Schmidt, Pollet, Cheney, Shavers, Macri and Leavitt.

**Brief History:**

**Committee Activity:**

Health Care & Wellness: 2/8/23, 2/15/23 [DPS].

**Brief Summary of Substitute Bill**

- Requires the Health Care Authority to establish a copayment offset program for insulin for individuals under the age of 21.

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### HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 15 members: Representatives Riccelli, Chair; Bateman, Vice Chair; Barnard, Bronoske, Davis, Graham, Harris, Macri, Maycumber, Mosbrucker, Orwall, Simmons, Stonier, Thai and Tharinger.

**Minority Report:** Without recommendation. Signed by 1 member: Representative Schmick, Ranking Minority Member.

**Staff:** Ingrid Lewis (786-7293).

**Background:**

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*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.*

### Insulin.

Insulin is a hormone produced by the pancreas that regulates blood sugar levels. Many individuals with diabetes require insulin therapy to regulate blood sugar. The different types of insulin therapies range from rapid- to long-acting and come in various delivery methods: syringe or pen, pump, and inhaler.

Beginning January 1, 2023, and until January 1, 2024, health plans, including health plans offered to public employees and covered dependents, must cap the total amount that an enrollee is required to pay for a 30-day supply of a covered insulin drug at \$35. Prescription insulin drugs must be covered without being subject to a deductible, and any cost-sharing paid by an enrollee must be applied toward the enrollee's deductible obligation.

### Total Cost of Insulin Work Group and ArrayRx.

ArrayRx (formerly the Northwest Prescription Drug Consortium) was created in 2006 to allow state agencies, local governments, businesses, labor organizations, and uninsured individuals to leverage purchasing ability in an attempt to obtain discounts on prescription drugs.

The Total Cost of Insulin Work Group (Work Group) was established in 2020 within the Health Care Authority (HCA). The Work Group is tasked with devising purchasing strategies to reduce the cost of, and total expenditure on, insulin and providing a 30-day supply of insulin to individuals on an emergency basis. The Work Group must submit a final report to the Governor and the Legislature by July 1, 2023.

The HCA and ArrayRx are authorized to implement any of the Work Group's strategies without further legislative direction, including becoming or designating a state agency to become a licensed drug wholesaler or registered pharmacy benefit manager, or purchase prescription drugs directly from other states or in coordination with other states.

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### **Summary of Substitute Bill:**

The Health Care Authority (HCA) is directed to establish a copayment offset program for insulin for individuals under the age of 21 by January 1, 2025. An enrollee of a health plan may not be responsible for any cost sharing for insulin.

The HCA is required to reimburse a carrier for an enrollee's cost-sharing obligation, provided that a carrier provides the HCA with an end-of-calendar-year reconciliation for any cost-sharing reductions owed to the carrier. The HCA is authorized to bill, charge, and receive payment from health carriers, as well as perform any other function necessary or proper to establish and administer the program.

Health carriers regulated under chapter 48.43 RCW and health plans offered to public employees under chapter 41.05 RCW are required to participate in the program once it is

operational. High deductible health plans are conditionally exempt from the program if federal guidance concerning insulin as a preventative care changes.

The HCA and the Office of the Insurance Commissioner are authorized to adopt rules necessary to implement the program.

**Substitute Bill Compared to Original Bill:**

The substitute bill removes provisions related to the bulk purchase and distribution program and replaces it with a copayment offset program for insulin for individuals under the age of 21 by January 1, 2025. Health carriers regulated under chapter 48.43 RCW and health plans offered to public employees under chapter 41.05 RCW are required to participate once the program is operational. High deductible health plans are conditionally exempt from the copayment offset program if federal guidance changes concerning insulin as a preventative care.

The HCA must reimburse a carrier for an enrollee's cost-sharing obligation, provided that a carrier provides the HCA with an end-of-calendar-year reconciliation for any cost-sharing reductions owed to the carrier. The HCA is authorized to bill, charge, and receive payment from health carriers, as well as perform any other function necessary or proper to establish and administer the program.

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**Appropriation:** None.

**Fiscal Note:** Requested on February 16, 2023.

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

**Staff Summary of Public Testimony:**

(In support) Insulin is heavily relied on for diabetics who need it. Families should not have to go into massive debt to keep children healthy. Children should not have to ration insulin doses or skip meals because they do not have insulin. Bulk purchasing and distributing insulin is already happening in Utah.

(Opposed) None.

(Other) The underlying policy of this bill is complex and may have impacts to community health centers. A helpful amendment would be to make insulin free and available to children under the age of 21.

**Persons Testifying:** (In support) Representative Jacquelin Maycumber, prime sponsor;

Madison Johnson; and Matthew Hepner, City of East Wenatchee .

(Other) Kate White Tudor, Washington Association for Community Health.

**Persons Signed In To Testify But Not Testifying:** None.