FINAL BILL REPORT SHB 1979

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Synopsis as Enacted

Brief Description: Reducing the cost of inhalers and epinephrine autoinjectors.

Sponsors: House Committee on Health Care & Wellness (originally sponsored by Representatives Paul, Leavitt, Duerr, Reed, Ormsby, Callan, Kloba, Doglio, Fosse, Ortiz-Self, Hackney and Shavers).

House Committee on Health Care & Wellness Senate Committee on Health & Long Term Care

Background:

Cost Sharing.

A health plan's cost sharing, the enrollee's share of the costs that they must pay out of pocket through a deductible, coinsurance, or copayment, is typically set by the health plan and often organized into tiers. State and federal law require some health services to be provided without cost sharing and state law caps the total amount that an enrollee is required to pay for a 30-day supply of insulin at \$35.

Federal law requires high deductible health plans (HDHPs) that have an associated health savings account (HSA) to meet a number of requirements to allow enrollees to maintain tax-exempt contributions and withdrawals for their HSA, including generally prohibiting HDHPs from providing benefits until the minimum deductible for the plan year is satisfied. Federal law provides an exception to this prohibition for certain preventive care services, which the federal Internal Revenue Service (IRS) guidance has expanded to include specified prescription medications for certain conditions, such as insulin for the treatment of diabetes and inhaled corticosteroids for the treatment of asthma.

Asthma Inhalers and Epinephrine Autoinjectors.

Inhalers are small, handheld devices that allow a person to breathe medicine in through their mouth, directly to their lungs. They are often used to treat asthma, but health providers may prescribe them for other conditions. Bronchodilators and corticosteroids are common

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inhaled medications.

Epinephrine autoinjectors are devices that contain epinephrine, which is used to treat severe allergic reactions called anaphylaxis. Epinephrine autoinjectors are generally sold in a two pack, in case of user error, product failure, or if a second epinephrine autoinjector is medically necessary.

Summary:

Health plans, including health plans offered to public and school employees, issued or renewed on or after January 1, 2025, must cap the total amount that an enrollee is required to pay:

- for a 30-day supply of at least one covered inhaled corticosteroid and at least one covered inhaled corticosteroid combination product at \$35; and
- for at least one covered epinephrine autoinjector product containing at least two autoinjectors at \$35.

Prescription asthma inhalers and epinephrine autoinjectors 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, except as provided below for HDHPs with an HSA. A health plan must ensure that a covered inhaled corticosteroid, inhaled corticosteroid product, and epinephrine autoinjector that meet the capped total amount requirements are always available to a patient.

For HDHPs offered as a qualifying health plan for an HSA, the health carrier must establish the plan's cost sharing for asthma inhalers that are not on the federal Internal Revenue Service's list of preventive care services and epinephrine autoinjectors at the minimum level necessary to preserve the enrollee's ability to claim tax-exempt contributions and withdrawals from the enrollee's HSA. If the IRS removes asthma inhalers from the list of preventive care services, the health carrier must establish the plan's cost sharing for the coverage of prescription asthma inhalers at the minimum level necessary to preserve the enrollee's ability to claim tax-exempt contributions from the enrollee's HSA. If the IRS adds epinephrine autoinjectors to the list of preventive care services, coverage must be provided consistent with the capped total amount requirements and without being subject to the health plan's deductible.

To the extent not prohibited by these requirements, health plans may apply drug utilization management strategies to inhaled corticosteroids, inhaled corticosteroid products, and epinephrine autoinjectors.

Votes on Final Passage:

House 97 0

Senate 49 0

Effective: June 6, 2024