

SB 560 A STAFF MEASURE SUMMARY

House Committee On Health Care

Prepared By: Brian Nieuburt, LPRO Analyst

Meeting Dates: 5/4

WHAT THE MEASURE DOES:

Requires insurers to count payments made by an enrollee or on behalf of an enrollee by another person when calculating out-of-pocket maximum or any other cost-sharing.

Senate Vote: *Passed. Ayes, 29; Nays, 1 (Heard)*

REVENUE: *No revenue impact*

FISCAL: *Fiscal impact issued*

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Many pharmaceutical manufacturers sponsor patient assistance programs (PAPs) that provide financial assistance to qualifying individuals to augment existing prescription drug coverage. One form of assistance is a copay card or coupon, whereby the pharmaceutical manufacturer pays part or all of the enrollee's copay or coinsurance for a specified drug. These copay cards are typically used for expensive, brand name drugs with no generic equivalent. In Medicare, PAPs financial assistance does not count towards the beneficiaries true out-of-pocket (TrOOP) cost and many copay card programs exclude Medicare beneficiaries from eligibility.

Senate Bill 560 A requires insurers to count payments made by another person on behalf of an enrollee when calculating out-of-pocket maximum and other cost-sharing accumulators.