

[Third Reprint]

SENATE, No. 526

STATE OF NEW JERSEY
219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator JOSEPH F. VITALE

District 19 (Middlesex)

Senator NELLIE POU

District 35 (Bergen and Passaic)

Senator STEPHEN M. SWEENEY

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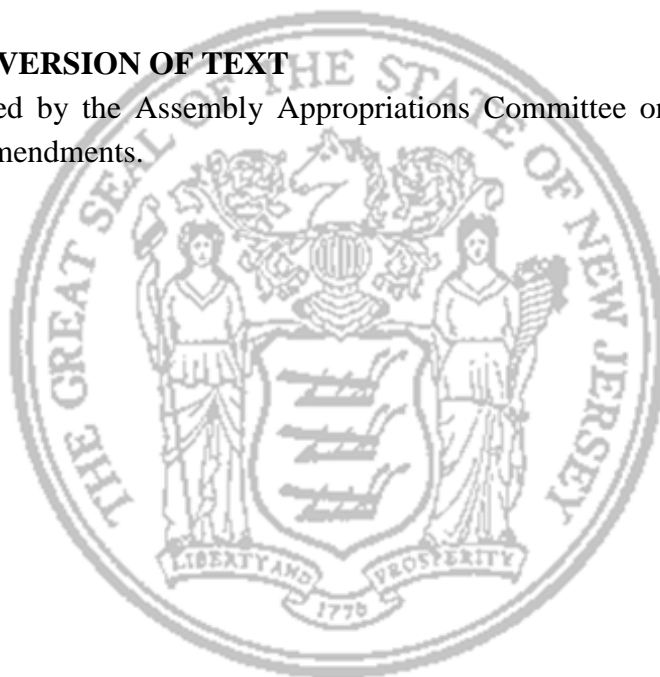
Senators Turner, Ruiz, Madden, Lagana and Gopal

SYNOPSIS

Provides that purchase of insulin is not subject to deductible and requires health insurers to limit copayments and coinsurance for insulin.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on February 24, 2021, with amendments.



(Sponsorship Updated As Of: 4/9/2020)

1 AN ACT concerning ¹**copayments** cost sharing¹ for insulin,
 2 amending P.L.1995, c.331, and supplementing various parts of
 3 the statutory law.

4
 5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
 6 *of New Jersey:*

7
 8 ¹1. (New section) The Legislature finds and declares that:

9 a. The rising cost of insulin has created an affordability crisis that
 10 threatens the health and financial well-being of many diabetes patients.

11 b. Research by the non-partisan Health Care Cost Institute found
 12 that prices for insulin nearly doubled over the five year period from
 13 2012 to 2016 and other studies show that prices for insulin have
 14 increased by 700% over the past two decades.

15 c. The lack of competition, transparency, and accountability in
 16 the prescription drug market has allowed manufacturers of insulin to
 17 exert extraordinary pricing power.

18 d. While insulin products have been on the market for almost a
 19 century, there is limited competition from lower-cost generics, in part
 20 due to aggressive efforts by brand name drug manufacturers to block
 21 the entry of generic insulin products into the market.

22 e. Even consumers with health insurance may face a lack of
 23 access to insulin due to the plan design of some health insurance
 24 policies.

25 f. For consumers without insurance, or with insurance coverage
 26 not subject to New Jersey State law, access to current and reliable cost
 27 information may be helpful to consumers and researchers trying to
 28 better understand the true cost of insulin.

29 g. It is, therefore, in the public interest to protect consumers by
 30 mandating insurance coverage cost sharing maximums in New Jersey
 31 to improve consumer access to insulin, and to provide for transparency
 32 and publication of drug company pricing of insulin.¹

33
 34 ¹**[1.] 2.**¹ Section 1 of P.L.1995, c.331 (C.17:48-6n) is amended
 35 to read as follows:

36 1. a. Every individual or group hospital service corporation
 37 contract providing hospital or medical expense benefits that is
 38 delivered, issued, executed or renewed in this State pursuant to
 39 P.L.1938, c.366 (C.17:48-1 et seq.) or approved for issuance or
 40 renewal in this State by the Commissioner of Banking and Insurance
 41 on or after the effective date of this act shall provide benefits to any
 42 subscriber or other person covered thereunder for expenses incurred
 43 for the following equipment and supplies for the treatment of diabetes,
 44 if recommended or prescribed by a physician or nurse

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
 not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SCM committee amendments adopted January 27, 2020.

²Senate SBA committee amendments adopted November 9, 2020.

³Assembly AAP committee amendments adopted February 24, 2021.

1 practitioner/clinical nurse specialist: blood glucose monitors and
2 blood glucose monitors for the legally blind; test strips for glucose
3 monitors and visual reading and urine testing strips; insulin; injection
4 aids; cartridges for the legally blind; syringes; insulin pumps and
5 appurtenances thereto; insulin infusion devices; and oral agents for
6 controlling blood sugar. ¹~~["No"] Coverage for the purchase of insulin~~
7 ~~shall not be subject to any deductible, and no¹ copayment ¹or~~
8 ~~coinsurance¹ for the purchase of insulin shall exceed ¹~~["\$100"] \$50¹ per~~~~
9 ~~30 day supply.~~

10 b. Each individual or group hospital service corporation contract
11 shall also provide benefits for expenses incurred for diabetes self-
12 management education to ensure that a person with diabetes is
13 educated as to the proper self-management and treatment of their
14 diabetic condition, including information on proper diet. Benefits
15 provided for self-management education and education relating to diet
16 shall be limited to visits medically necessary upon the diagnosis of
17 diabetes; upon diagnosis by a physician or nurse practitioner/clinical
18 nurse specialist of a significant change in the subscriber's or other
19 covered person's symptoms or conditions which necessitate changes in
20 that person's self-management; and upon determination of a physician
21 or nurse practitioner/clinical nurse specialist that reeducation or
22 refresher education is necessary. Diabetes self-management education
23 shall be provided by a dietitian registered by a nationally recognized
24 professional association of dietitians or a health care professional
25 recognized as a Certified Diabetes Educator by the American
26 Association of Diabetes Educators or a registered pharmacist in the
27 State qualified with regard to management education for diabetes by
28 any institution recognized by the board of pharmacy of the State of
29 New Jersey.

30 c. The benefits required by this section shall be provided to the
31 same extent as for any other sickness under the contract.

32 d. This section shall apply to all hospital service corporation
33 contracts in which the hospital service corporation has reserved the
34 right to change the premium.

35 e. The provisions of this section shall not apply to a health
36 benefits plan subject to the provisions of P.L.1992, c.161 (C.17B:27A-
37 2 et seq.) or P.L.1992, c.162 (C.17B:27A-17 et seq.).

38 f. The Commissioner of Banking and Insurance may, in
39 consultation with the Commissioner of Health, pursuant to the
40 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.),
41 promulgate and periodically update a list of additional diabetes
42 equipment and related supplies that are medically necessary for the
43 treatment of diabetes and for which benefits shall be provided
44 according to the provisions of this section.

45 (cf: P.L.1995, c.331, s.1)

1 ¹~~2.~~ ^{3.}¹ Section 2 of P.L.1995, c.331 (C.17:48A-7l) is amended
2 to read as follows:

3 2. a. Every individual or group medical service corporation
4 contract providing hospital or medical expense benefits that is
5 delivered, issued, executed or renewed in this State pursuant to
6 P.L.1940, c.74 (C.17:48A-1 et seq.) or approved for issuance or
7 renewal in this State by the Commissioner of Banking and Insurance
8 on or after the effective date of this act shall provide benefits to any
9 subscriber or other person covered thereunder for expenses incurred
10 for the following equipment and supplies for the treatment of diabetes,
11 if recommended or prescribed by a physician or nurse
12 practitioner/clinical nurse specialist: blood glucose monitors and
13 blood glucose monitors for the legally blind; test strips for glucose
14 monitors and visual reading and urine testing strips; insulin; injection
15 aids; cartridges for the legally blind; syringes; insulin pumps and
16 appurtenances thereto; insulin infusion devices; and oral agents for
17 controlling blood sugar. ¹~~No~~ Coverage for the purchase of insulin
18 shall not be subject to any deductible, and no¹ copayment ¹or
19 coinsurance¹ for the purchase of insulin shall exceed ¹~~\$100~~ ¹\$50¹ per
20 30 day supply.

21 b. Each individual or group medical service corporation contract
22 shall also provide benefits for expenses incurred for diabetes self-
23 management education to ensure that a person with diabetes is
24 educated as to the proper self-management and treatment of their
25 diabetic condition, including information on proper diet. Benefits
26 provided for self-management education and education relating to diet
27 shall be limited to visits medically necessary upon the diagnosis of
28 diabetes; upon diagnosis by a physician or nurse practitioner/clinical
29 nurse specialist of a significant change in the subscriber's or other
30 covered person's symptoms or conditions which necessitate changes in
31 that person's self-management; and upon determination of a physician
32 or nurse practitioner/clinical nurse specialist that reeducation or
33 refresher education is necessary. Diabetes self-management education
34 shall be provided by a dietitian registered by a nationally recognized
35 professional association of dietitians or a health care professional
36 recognized as a Certified Diabetes Educator by the American
37 Association of Diabetes Educators or a registered pharmacist in the
38 State qualified with regard to management education for diabetes by
39 any institution recognized by the board of pharmacy of the State of
40 New Jersey.

41 c. The benefits required by this section shall be provided to the
42 same extent as for any other sickness under the contract.

43 d. This section shall apply to all medical service corporation
44 contracts in which the medical service corporation has reserved the
45 right to change the premium.

1 e. The provisions of this section shall not apply to a health
2 benefits plan subject to the provisions of P.L.1992, c.161 (C.17B:27A-
3 2 et seq.) or P.L.1992, c.162 (C.17B:27A-17 et seq.).

4 f. The Commissioner of Banking and Insurance may, in
5 consultation with the Commissioner of Health, pursuant to the
6 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.),
7 promulgate and periodically update a list of additional diabetes
8 equipment and related supplies that are medically necessary for the
9 treatment of diabetes and for which benefits shall be provided
10 according to the provisions of this section.

11 (cf: P.L.1995, c.331, s.2)

12
13 ¹~~3.~~ ^{4.} Section 3 of P.L.1995, c.331 (C.17:48E-35.11) is
14 amended to read as follows:

15 3. a. Every individual or group health service corporation
16 contract providing hospital or medical expense benefits that is
17 delivered, issued, executed or renewed in this State pursuant to
18 P.L.1985, c.236 (C.17:48E-1 et seq.) or approved for issuance or
19 renewal in this State by the Commissioner of Banking and Insurance
20 on or after the effective date of this act shall provide benefits to any
21 subscriber or other person covered thereunder for expenses incurred
22 for the following equipment and supplies for the treatment of diabetes,
23 if recommended or prescribed by a physician or nurse
24 practitioner/clinical nurse specialist: blood glucose monitors and
25 blood glucose monitors for the legally blind; test strips for glucose
26 monitors and visual reading and urine testing strips; insulin; injection
27 aids; cartridges for the legally blind; syringes; insulin pumps and
28 appurtenances thereto; insulin infusion devices; and oral agents for
29 controlling blood sugar. ¹~~3.~~ ^{4.} Coverage for the purchase of insulin
30 shall not be subject to any deductible, and no¹ copayment ¹or
31 coinsurance¹ for the purchase of insulin shall exceed ¹~~100~~ \$50¹ per
32 30 day supply.

33 b. Each individual or group health service corporation contract
34 shall also provide benefits for expenses incurred for diabetes self-
35 management education to ensure that a person with diabetes is
36 educated as to the proper self-management and treatment of their
37 diabetic condition, including information on proper diet. Benefits
38 provided for self-management education and education relating to diet
39 shall be limited to visits medically necessary upon the diagnosis of
40 diabetes; upon the diagnosis by a physician or nurse
41 practitioner/clinical nurse specialist of a significant change in the
42 subscriber's or other covered person's symptoms or conditions which
43 necessitate changes in that person's self-management; and upon
44 determination of a physician or nurse practitioner/clinical nurse
45 specialist that reeducation or refresher education is necessary.
46 Diabetes self-management education shall be provided by a dietitian

1 registered by a nationally recognized professional association of
 2 dietitians or a health care professional recognized as a Certified
 3 Diabetes Educator by the American Association of Diabetes Educators
 4 or a registered pharmacist in the State qualified with regard to
 5 management education for diabetes by any institution recognized by
 6 the board of pharmacy of the State of New Jersey.

7 c. The benefits required by this section shall be provided to the
 8 same extent as for any other sickness under the contract.

9 d. This section shall apply to all health service corporation
 10 contracts in which the health service corporation has reserved the right
 11 to change the premium.

12 e. The provisions of this section shall not apply to a health
 13 benefits plan subject to the provisions of P.L.1992, c.161 (C.17B:27A-
 14 2 et seq.) or P.L.1992, c.162 (C.17B:27A-17 et seq.).

15 f. The Commissioner of Banking and Insurance may, in
 16 consultation with the Commissioner of Health, pursuant to the
 17 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.),
 18 promulgate and periodically update a list of additional diabetes
 19 equipment and related supplies that are medically necessary for the
 20 treatment of diabetes and for which benefits shall be provided
 21 according to the provisions of this section.

22 (cf: P.L.1995, c.331, s.3)

23
 24 ¹~~4.~~ ¹5. Section 4 of P.L.1995, c.331 (C.17B:26-2.11) is
 25 amended to read as follows:

26 4. a. Every individual health insurance policy providing hospital
 27 or medical expense benefits that is delivered, issued, executed or
 28 renewed in this State pursuant to Chapter 26 of Title 17B of the New
 29 Jersey Statutes or approved for issuance or renewal in this State by the
 30 Commissioner of Banking and Insurance on or after the effective date
 31 of this act shall provide benefits to any person covered thereunder for
 32 expenses incurred for the following equipment and supplies for the
 33 treatment of diabetes, if recommended or prescribed by a physician or
 34 nurse practitioner/clinical nurse specialist: blood glucose monitors and
 35 blood glucose monitors for the legally blind; test strips for glucose
 36 monitors and visual reading and urine testing strips; insulin; injection
 37 aids; cartridges for the legally blind; syringes; insulin pumps and
 38 appurtenances thereto; insulin infusion devices; and oral agents for
 39 controlling blood sugar. ¹~~4.~~ ¹5. ¹~~No~~ ¹Coverage for the purchase of insulin
 40 ¹shall not be subject to any deductible, and no ¹copayment ¹or
 41 ¹coinsurance ¹for the purchase of insulin shall exceed ¹~~100~~ ¹\$50 ¹per
 42 ¹30 day supply.

43 b. Each individual health insurance policy shall also provide
 44 benefits for expenses incurred for diabetes self-management education
 45 to ensure that a person with diabetes is educated as to the proper self-
 46 management and treatment of their diabetic condition, including

1 information on proper diet. Benefits provided for self-management
2 education and education relating to diet shall be limited to visits
3 medically necessary upon the diagnosis of diabetes; upon diagnosis by
4 a physician or nurse practitioner/clinical nurse specialist of a
5 significant change in the covered person's symptoms or conditions
6 which necessitate changes in that person's self-management; and upon
7 determination of a physician or nurse practitioner/clinical nurse
8 specialist that reeducation or refresher education is necessary.
9 Diabetes self-management education shall be provided by a dietitian
10 registered by a nationally recognized professional association of
11 dietitians or a health care professional recognized as a Certified
12 Diabetes Educator by the American Association of Diabetes Educators
13 or a registered pharmacist in the State qualified with regard to
14 management education for diabetes by any institution recognized by
15 the board of pharmacy of the State of New Jersey.

16 c. The benefits required by this section shall be provided to the
17 same extent as for any other sickness under the policy.

18 d. This section shall apply to all individual health insurance
19 policies in which the insurer has reserved the right to change the
20 premium.

21 e. The provisions of this section shall not apply to a health
22 benefits plan subject to the provisions of P.L.1992, c.161 (C.17B:27A-
23 2 et seq.) or P.L.1992, c.162 (C.17B:27A-17 et seq.).

24 f. The Commissioner of Banking and Insurance may, in
25 consultation with the Commissioner of Health, pursuant to the
26 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.),
27 promulgate and periodically update a list of additional diabetes
28 equipment and related supplies that are medically necessary for the
29 treatment of diabetes and for which benefits shall be provided
30 according to the provisions of this section.

31 (cf: P.L.1995, c.331, s.4)

32

33 ¹~~5.1~~ ^{6.1} Section 5 of P.L.1995, c.331 (C.17B:27-46.1m) is
34 amended to read as follows:

35 5. a. Every group health insurance policy providing hospital or
36 medical expense benefits that is delivered, issued, executed or renewed
37 in this State pursuant to Chapter 27 of Title 17B of the New Jersey
38 Statutes or approved for issuance or renewal in this State by the
39 Commissioner of Banking and Insurance on or after the effective date
40 of this act shall provide benefits to any person covered thereunder for
41 expenses incurred for the following equipment and supplies for the
42 treatment of diabetes, if recommended or prescribed by a physician or
43 nurse practitioner/clinical nurse specialist: blood glucose monitors and
44 blood glucose monitors for the legally blind; test strips for glucose
45 monitors and visual reading and urine testing strips; insulin; injection
46 aids; cartridges for the legally blind; syringes; insulin pumps and
47 appurtenances thereto; insulin infusion devices; and oral agents for

1 controlling blood sugar. ¹~~["No"]~~ Coverage for the purchase of insulin
2 shall not be subject to any deductible, and no¹ copayment ¹or
3 coinsurance¹ for the purchase of insulin shall exceed ¹~~["\$100"]~~ \$50¹ per
4 30 day supply.

5 b. Each group health insurance policy shall also provide benefits
6 for expenses incurred for diabetes self-management education to
7 ensure that a person with diabetes is educated as to the proper self-
8 management and treatment of their diabetic condition, including
9 information on proper diet. Benefits provided for self-management
10 education and education relating to diet shall be limited to visits
11 medically necessary upon the diagnosis of diabetes; upon diagnosis by
12 a physician or nurse practitioner/clinical nurse specialist of a
13 significant change in the covered person's symptoms or conditions
14 which necessitate changes in that person's self-management; and upon
15 determination of a physician or nurse practitioner/clinical nurse
16 specialist that reeducation or refresher education is necessary.
17 Diabetes self-management education shall be provided by a dietitian
18 registered by a nationally recognized professional association of
19 dietitians or a health care professional recognized as a Certified
20 Diabetes Educator by the American Association of Diabetes Educators
21 or a registered pharmacist in the State qualified with regard to
22 management education for diabetes by any institution recognized by
23 the board of pharmacy of the State of New Jersey.

24 c. The benefits required by this section shall be provided to the
25 same extent as for any other sickness under the policy.

26 d. This section shall apply to all group health insurance policies in
27 which the insurer has reserved the right to change the premium.

28 e. The provisions of this section shall not apply to a health
29 benefits plan subject to the provisions of P.L.1992, c.161 (C.17B:27A-
30 2 et seq.) or P.L.1992, c.162 (C.17B:27A-17 et seq.).

31 f. The Commissioner of Banking and Insurance may, in
32 consultation with the Commissioner of Health, pursuant to the
33 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.),
34 promulgate and periodically update a list of additional diabetes
35 equipment and related supplies that are medically necessary for the
36 treatment of diabetes and for which benefits shall be provided
37 according to the provisions of this section.
38 (cf: P.L.1995, c.331, s.5)

39
40 ¹~~["6.1"]~~ 7.1 Section 6 of P.L.1995, c.331 (C.26:2J-4.11) is amended
41 to read as follows:

42 6. a. Every contract for health care services that is delivered,
43 issued, executed or renewed in this State pursuant to P.L.1973, c.337
44 (C.26:2J-1 et seq.) or approved for issuance or renewal in this State on
45 or after the effective date of this act shall provide health care services
46 to any enrollee or other person covered thereunder for the following

1 equipment and supplies for the treatment of diabetes, if recommended
2 or prescribed by a participating physician or participating nurse
3 practitioner/clinical nurse specialist: blood glucose monitors and
4 blood glucose monitors for the legally blind; test strips for glucose
5 monitors and visual reading and urine testing strips; insulin; injection
6 aids; cartridges for the legally blind; syringes; insulin pumps and
7 appurtenances thereto; insulin infusion devices; and oral agents for
8 controlling blood sugar. ¹~~【No】~~ Coverage for the purchase of insulin
9 shall not be subject to any deductible, and no¹ copayment ¹or
10 coinsurance¹ for the purchase of insulin shall exceed ¹~~【\$100】~~ \$50¹ per
11 30 day supply.

12 b. Each contract shall also provide health care services for
13 diabetes self-management education to ensure that a person with
14 diabetes is educated as to the proper self-management and treatment of
15 their diabetic condition, including information on proper diet. Health
16 care services provided for self-management education and education
17 relating to diet shall be limited to visits medically necessary upon the
18 diagnosis of diabetes; upon diagnosis by a participating physician or
19 participating nurse practitioner/clinical nurse specialist of a significant
20 change in the enrollee's or other covered person's symptoms or
21 conditions which necessitate changes in that person's self-
22 management; and upon determination of a participating physician or
23 participating nurse practitioner/clinical nurse specialist that
24 reeducation or refresher education is necessary. Diabetes self-
25 management education shall be provided by a participating dietitian
26 registered by a nationally recognized professional association of
27 dietitians or a health care professional recognized as a Certified
28 Diabetes Educator by the American Association of Diabetes Educators
29 or, pursuant to section 6 of P.L.1993, c.378 (C.26:2J-4.7), a registered
30 pharmacist in the State qualified with regard to management education
31 for diabetes by any institution recognized by the board of pharmacy of
32 the State of New Jersey.

33 c. The health care services required by this section shall be
34 provided to the same extent as for any other sickness under the
35 contract.

36 d. This section shall apply to all contracts in which the health
37 maintenance organization has reserved the right to change the schedule
38 of charges.

39 e. The provisions of this section shall not apply to a health
40 benefits plan subject to the provisions of P.L.1992, c.161 (C.17B:27A-
41 2 et seq.) or P.L.1992, c.162 (C.17B:27A-17 et seq.).

42 f. The Commissioner of Banking and Insurance may, in
43 consultation with the Commissioner of Health, pursuant to the
44 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.),
45 promulgate and periodically update a list of additional diabetes
46 equipment and related supplies that are medically necessary for the

1 treatment of diabetes and for which benefits shall be provided
2 according to the provisions of this section.
3 (cf: P.L.1995, c.331, s.6)
4

5 **¹[7.] 8.¹** (New section) An individual health benefits plan that
6 provides hospital and medical expense benefits and is delivered,
7 issued, executed or renewed in this State pursuant to P.L.1992, c.161
8 (C.17B:27A-2 et al.), on or after the effective date of P.L. ,
9 c. (C.) (pending before the Legislature as this bill), shall provide
10 coverage to any enrollee or other person covered thereunder for insulin
11 for the treatment of diabetes, if recommended or prescribed by a
12 participating physician or participating nurse practitioner/clinical nurse
13 specialist. **¹[No]** Coverage for the purchase of insulin shall not be
14 subject to any deductible, and no¹ copayment ¹or coinsurance¹ for the
15 purchase of insulin shall exceed **¹[\$100] \$50¹** per 30 day supply.

16 The benefits shall be provided to the same extent as for any other
17 condition under the health benefits plan.

18 This section shall apply to those health benefits plans in which the
19 carrier has reserved the right to change the premium.
20

21 **¹[8.] 9.¹** (New section) A small employer health benefits plan
22 that provides hospital and medical expense benefits and is delivered,
23 issued, executed or renewed in this State pursuant to P.L.1992, c.162
24 (C.17B:27A-17 et seq.), on or after the effective date of P.L. , c.
25 (C.) (pending before the Legislature as this bill), shall provide
26 coverage to any enrollee or other person covered thereunder for insulin
27 for the treatment of diabetes, if recommended or prescribed by a
28 participating physician or participating nurse practitioner/clinical nurse
29 specialist. **¹[No]** Coverage for the purchase of insulin shall not be
30 subject to any deductible, and no¹ copayment ¹or coinsurance¹ for the
31 purchase of insulin shall exceed **¹[\$100] \$50¹** per 30 day supply.

32 The benefits shall be provided to the same extent as for any other
33 condition under the health benefits plan.

34 This section shall apply to those health benefits plans in which the
35 carrier has reserved the right to change the premium.
36

37 **¹[9.] 10.¹** (New section) The State Health Benefits
38 Commission shall ensure that every contract purchased or renewed
39 by the commission on or after the effective date of
40 P.L. , c. (C.) (pending before the Legislature as this bill),
41 shall provide coverage for health care services to any enrollee or
42 other person covered thereunder for insulin for the treatment of
43 diabetes, if recommended or prescribed by a participating physician
44 or participating nurse practitioner/clinical nurse specialist. **¹[No]**
45 Coverage for the purchase of insulin shall not be subject to any
46 deductible, and no¹ copayment ¹or coinsurance¹ for the purchase of

1 insulin shall exceed ¹~~[\$100]~~ \$50¹ per 30 day supply. ³Nothing in
 2 this section shall prevent the State Health Benefits Commission
 3 from reducing an enrollee's cost-sharing requirement by an amount
 4 greater than the amount specified in this section or prevent the
 5 commission from utilizing formulary management, including a
 6 mandatory generic policy, to promote the use of lower-cost
 7 alternative generic drugs that are the therapeutic equivalent of the
 8 brand-name drug.³

9
 10 ¹~~[10.]~~ 11.¹ (New section) The School Employees' Health
 11 Benefits Commission shall ensure that every contract purchased by
 12 the commission on or after the effective date of
 13 P.L. , c. (C.) (pending before the Legislature as this bill)
 14 that provides hospital and medical expense benefits shall provide
 15 health care services to any enrollee or other person covered
 16 thereunder for insulin for the treatment of diabetes, if recommended
 17 or prescribed by a participating physician or participating nurse
 18 practitioner/clinical nurse specialist. ¹~~[No]~~ Coverage for the
 19 purchase of insulin shall not be subject to any deductible, and no¹
 20 copayment ¹or coinsurance¹ for the purchase of insulin shall exceed
 21 ¹~~[\$100]~~ \$50¹ per 30 day supply. ³Nothing in this section shall
 22 prevent the School Employees' Health Benefits Commission from
 23 reducing an enrollee's cost-sharing requirement by an amount
 24 greater than the amount specified in this section or prevent the
 25 commission from utilizing formulary management, including a
 26 mandatory generic policy, to promote the use of lower-cost
 27 alternative generic drugs that are the therapeutic equivalent of the
 28 brand-name drug.³

29
 30 ²¹~~[12.]~~ (New section) Every manufacturer of an insulin product
 31 shall submit, not later than January 1, 2021, and annually thereafter, a
 32 report to the Commissioner of Banking and Insurance containing the
 33 following information:

- 34 a. name of the insulin products currently manufactured;
- 35 b. identification of whether the insulin products are brand name
 36 or generic drug products;
- 37 c. total sales of insulin products to New Jersey consumers
 38 quantified in total units and total revenue;
- 39 d. the effective date and amounts of any changes in the wholesale
 40 acquisition cost or other list prices for insulin during the prior calendar
 41 year;
- 42 e. aggregate, company-level research and development costs for
 43 insulin over the prior calendar year;
- 44 f. the name of each of the manufacturer's insulin products that
 45 were approved by the federal Food and Drug Administration in the
 46 previous five calendar years;

1 g. the name of each of the manufacturer's insulin products that
2 lost patent exclusivity in the United States in the previous five
3 calendar years; and

4 h. a statement of rationale regarding the factor or factors that
5 caused the increase in the wholesale acquisition cost or list price
6 increase for insulin.¹²

7
8 ¹~~["11. This act]~~ ²~~["13.] 12.~~² Sections 2 through 4, 6, and 7 of
9 this act shall take effect on the 180th day next following the date of
10 enactment and shall apply to plans issued or renewed on or after
11 January 1 of the next calendar year; sections 5, 8, and 9 shall take
12 effect on the 270th day next following the date of enactment and
13 shall apply to plans issued or renewed after January 1 of the next
14 calendar year; sections 10 and 11¹ shall take effect on the 90th day
15 next following ¹the date of¹ enactment ¹and shall apply to contracts
16 purchased on or after that date ²["; and section 12 shall take place
17 immediately¹².