

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR **ASSEMBLY, Nos. 954, 653, and 1669**

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 24, 2021

The Assembly Appropriations Committee reports favorably, and with committee amendments, the Assembly Committee Substitute for Assembly Bill Nos. 954, 653, and 1669.

As amended, this committee substitute makes certain findings and declarations concerning the rising cost of insulin and requires health benefits plans issued pursuant to the New Jersey Individual Health Coverage and Small Employer Health Benefits Programs, the State Health Benefits Program, and the School Employees' Health Benefits Program, to provide coverage for insulin for the treatment of diabetes.

The bill further requires health insurers (health, hospital and medical service corporations, commercial individual and group health insurers, and health maintenance organizations) and health benefits plans issued pursuant to the New Jersey Individual Health Coverage and Small Employer Health Benefits Programs, the State Health Benefits Program, and the School Employees' Health Benefits Program to provide coverage for the purchase of insulin that is not subject to any deductible and to limit the copayment or coinsurance that may be required for an insulin prescription to \$50 per 30 day supply of insulin.

The bill specifies that nothing in the bill is to prevent the State Health Benefits Commission or the School Employees' Health Benefits Commission from reducing an enrollee's cost-sharing requirement by an amount greater than the amount specified in the bill or from utilizing formulary management, including a mandatory generic policy, to promote the use of lower-cost alternative generic drugs that are the therapeutic equivalent of the brand-name drug.

This Assembly Committee Substitute for Assembly Bill Nos. 954, 653, and 1669, as amended and reported by this committee, is identical to Senate Bill No. 526 (2R), as also amended and reported by the committee.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) specify that nothing in the bill is to prevent the State Health Benefits Commission or the School Employees' Health Benefits

Commission from reducing an enrollee's cost-sharing requirement by an amount greater than the amount specified in the bill or from utilizing formulary management, including a mandatory generic policy, to promote the use of lower-cost alternative generic drugs that are the therapeutic equivalent of the brand-name drug; and

(2) remove the provisions of the bill concerning reporting requirements for insulin manufacturers.

FISCAL IMPACT:

There is currently no fiscal information available for this bill.