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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 263
136th General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Abdullahi and Hall

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SUMMARY

- Limits cost-sharing requirements that a health plan issuer may impose on a prescription insulin drug, diabetes care device, or diabetic ketoacidosis device.

DETAILED ANALYSIS

Insulin cost-sharing limit

H.B. 263 limits cost-sharing requirements that a health plan issuer may impose on a prescription insulin drug, diabetes care device, or diabetic ketoacidosis device. For prescription insulin drugs, the bill prohibits cost-sharing requirements that exceed \$35 in aggregate for a 30-day supply of all covered prescription insulin drugs prescribed for the covered person. For diabetes care devices or diabetic ketoacidosis devices, the bill prohibits cost-sharing requirements that exceed \$100 in aggregate for a 30-day supply of all covered diabetes care devices or diabetic ketoacidosis devices used by the covered person. However, a health plan issuer may further reduce a cost-sharing requirement to an amount less than the \$35 or \$100 limit if it chooses to do so.¹

The limitations apply as follows:

1. Only to health plan issuers that provide coverage for prescription insulin drugs, diabetes care devices, or diabetic ketoacidosis devices;
2. Regardless of the amount or type of insulin needed to fill a covered person's prescription; and

¹ R.C. 3902.65(B) and (D).

3. Regardless of any deductible, copayment, coinsurance, or any other cost-sharing requirement that would otherwise apply to the covered person under the health benefit plan.²

Exemption from Superintendent of Insurance review

The bill exempts its cost-sharing limitations from an existing law that could otherwise prevent them from being applied until a review by the Superintendent of Insurance has been conducted with respect to mandated health benefits.³ Under current law, if the General Assembly enacts a statute mandating health benefits, that statute cannot be applied to any health benefit plan until the Superintendent of Insurance holds a hearing and determines that it can be applied fully and equally in all respects to (1) employee benefit plans subject to regulation by the federal “Employee Retirement Income Security Act of 1974,” (ERISA),⁴ and (2) employee benefit plans established or modified by the state or its political subdivisions.⁵ ERISA appears to preempt any state regulation of such plans.⁶

Definitions

- “Prescription insulin drug” means a prescription drug that contains insulin and is used to treat diabetes.
- “Diabetes care device” means any of the following when prescribed to cure, diagnose, mitigate, prevent, or treat diabetes or low blood sugar:
 - Blood glucose test strip;
 - Continuous glucose monitor;
 - Lancet;
 - Lancing device;
 - Insulin syringe;
 - Insulin pump.
- “Diabetes care device” also includes nonprescription kits for checking and recording blood ketone levels.⁷

² R.C. 3902.65(B)(1) and (C).

³ R.C. 3902.65(B).

⁴ 29 United States Code (U.S.C.) 1001.

⁵ R.C. 3901.71, not in the bill.

⁶ 29 U.S.C. 1144.

⁷ R.C. 3902.65(A).

- “Diabetic ketoacidosis device” means a device that is used to screen for or prevent diabetic ketoacidosis, regardless of whether a prescription is required to dispense the device.
- “Cost sharing” means the cost to a covered person under a health benefit plan according to any copayment, coinsurance, deductible, or other out-of-pocket expense requirement.
- “Covered person” means a person covered by a health benefit plan.
- “Health plan issuer” means an entity subject to Ohio’s insurance laws that contracts to provide, pay for, or reimburse any of the costs of health care services. The term includes a sickness and accident insurer, a health insuring corporation, a fraternal benefit society, a self-funded multiple employer welfare arrangement, and a nonfederal, government health plan. The term also includes a third party administrator to the extent that the benefits the administrator is contracted to administer are subject to Ohio insurance laws or to the Superintendent’s jurisdiction.⁸

HISTORY

Action	Date
Introduced	05-13-25

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⁸ R.C. 3902.50, not in the bill.