



STATE OF DELAWARE
STATE COUNCIL FOR PERSONS WITH DISABILITIES
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The Honorable John Carney
Governor

John A. McNeal
Director

MEMORANDUM

DATE: February 24, 2020

TO: All Members of the Delaware State Senate
and House of Representatives

FROM: Mr. J. Todd Webb, Chairperson
State Council for Persons with Disabilities

RE: H.B. 263 with HA 1 (Bill to Cap Out of Pocket Cost for Insulin and Require
Inclusion on Formularies)

The State Council for Persons with Disabilities (SCPD) has reviewed H.B. 263 which would require that individual, group, and State employee insurance plans limit the amount that an individual has to pay for prescription insulin drugs for the treatment of diabetes to no more than \$100.00 per month regardless of the amount or kind of insulin that is required by the insured individual. The plans must include at least one formulation of insulin on the lowest tier of the drug formulary maintained by the carrier. ¹ SCPD endorses the proposed legislation since it is a laudable attempt to help keep the cost of prescriptions down. Untreated diabetes can lead to a myriad of health complications and disabling conditions. SCPD also has the following observation.

The bill would require the insurer or carrier to include at least one insulin drug in tier one of its formulary. In all likelihood, this would be a generic insulin drug. Nevertheless, by making the carrier include a tier one insulin drug in its formulary, the actual cost to an insured individual could be considerably less than the \$100.00 limit, thus making the cost of the drug more affordable. Otherwise, the carrier could include only higher priced drugs in its formulary, thus costing the insured individual more (up to the limit of \$100.00 per month).

¹ **Placing controls on insulin coverage and pricing is a national trend.** <https://www.newsweek.com/illinois-becomes-second-state-cap-monthly-insulin-prices-more-states-are-considering-it-1483987>;
<https://www.cnn.com/2020/02/08/us/states-passing-bills-insulin-insurance-copay-trnd/index.html>

Thank you for your consideration and please contact SCPD if you have any questions or comments regarding our position or observations on the proposed legislation.

cc: Ms. Laura Waterland, Esq.
Governor's Advisory Council for Exceptional Citizens
Developmental Disabilities Council

HB 263- cap out of pocket cost for insulin and require inclusion on formularies 2-24-20