

SENATE No. 681

The Commonwealth of Massachusetts

PRESENTED BY:

Mark C. Montigny

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to combat COVID-19 vaccine price gouging.

PETITION OF:

NAME:

Mark C. Montigny

DISTRICT/ADDRESS:

Second Bristol and Plymouth

SENATE No. 681

By Mr. Montigny, a petition (accompanied by bill, Senate, No. 681) of Mark C. Montigny for legislation to combat COVID-19 vaccine price gouging. Financial Services.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act to combat COVID-19 vaccine price gouging.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 6A of the General Laws, as appearing in the 2020 Official Edition,
2 is hereby amended by inserting after section 16CC the following section:-

3 Section 16DD. (a) Notwithstanding any general or special law to the contrary, the
4 secretary of the executive office of health and human services, in consultation with the secretary
5 of administration and finance, shall develop a coordinated, aggregate COVID-19 vaccine
6 procurement plan to manage and administer the purchase, disbursement, and reimbursement of
7 COVID-19 vaccines for all health care programs administered by the commonwealth and for
8 members of all health coverage plans funded or subsidized, in whole or in part, by the
9 commonwealth. The aggregate procurement plan shall maximize cost savings and efficiencies,
10 enhance affordable access to COVID-19 vaccination, and be designed to improve health
11 outcomes while providing access to uninsured residents.

12 (b) Notwithstanding any general or special law to the contrary, as part of the aggregate
13 procurement plan, the secretary shall seek competitive bids for the supply of COVID-19 vaccines
14 necessary to meet the needs of health care programs administered by the commonwealth and for
15 individuals insured under health coverage plans funded or subsidized, in whole or in part, by the
16 commonwealth as well as uninsured residents. The secretary may coordinate with other states
17 and jurisdictions for the implementation of the aggregate procurement plan in order to maximize
18 cost savings. The secretary shall establish an annual maximum purchase price for each dose of
19 COVID-19 vaccine under the aggregate procurement plan, which shall not exceed the lesser of
20 the following:

21 (1) cost per dose paid for by the Centers for Disease Control and Prevention; or

22 (2) reimbursement rate paid by the Centers for Medicare and Medicaid Services.

23 (c) The secretary shall implement the aggregate procurement plan not later than 180 days
24 after the effective date of this act and shall submit by April 15 of each year a report detailing the
25 coordinated aggregate or bulk purchasing arrangement results for the previous fiscal year to the
26 clerks of the house of representatives and senate, the joint committee on public health, the joint
27 committee on health care financing and the house and senate committees on ways and means.
28 The report shall include, but not be limited to, a review of the aggregate procurement plan's
29 achievement relative to:

30 (1) cost savings achieved during the previous fiscal year;

31 (2) administrative costs relating to the management of the program for the previous fiscal
32 year;

33 (3) any recommendations for enhancing cost savings, reducing inefficiencies, and
34 improving access; and

35 (4) a cost-benefit analysis of the inclusion of other entities, including but not limited to
36 not-for-profit healthcare providers, county, municipal, and quasi-governmental entities within the
37 aggregate procurement plan.

38 SECTION 2. Chapter 32A of the General Laws, as so appearing, is hereby amended by
39 adding the following section:-

40 Section 31. The commission shall provide to any active or retired employee of the
41 commonwealth who is insured under the group insurance commission coverage for annual
42 vaccination against COVID-19; provided that said coverage shall not be subject to any
43 deductible, co-insurance, or co-payment.

44 SECTION 3. Chapter 118E of the General Laws, as so appearing, is hereby amended by
45 inserting after section 10N the following section:-

46 Section 10O. The division and its contracted health insurers, health plans, health
47 maintenance organizations, behavioral health management firms and third-party administrators
48 under contract to a Medicaid managed care organization or primary care clinician plan shall
49 provide coverage for annual vaccination against COVID-19; provided, that said coverage shall
50 not be subject to any cost sharing.

51 SECTION 4. Chapter 175 of the General Laws, as so appearing, is hereby amended by
52 inserting after section 47PP the following section:-

53 Section 47QQ. A policy, contract, agreement, plan or certificate of insurance issued,
54 delivered or renewed within the commonwealth that provides medical expense coverage shall
55 provide coverage for annual vaccination against COVID-19; provided, that said coverage shall
56 not be subject to any deductible, co-insurance, or co-payment.

57 SECTION 5. Chapter 176A of the General Laws, as so appearing, is hereby amended by
58 inserting after section 8QQ the following section:-

59 Section 8RR. Any contract between a subscriber and a corporation under an individual
60 or group hospital service plan delivered, issued or renewed within the commonwealth shall
61 provide coverage for annual vaccination against COVID-19; provided that said coverage shall
62 not be subject to any deductible, co-insurance, or co-payment.

63 SECTION 6. Chapter 176B of the General Laws, as so appearing, is hereby amended by
64 inserting after section 4QQ the following section:-

65 Section 4RR. Any subscription certificate under an individual or group medical service
66 agreement delivered, issued or renewed within the commonwealth shall provide coverage for
67 annual vaccination against COVID-19; provided, that said coverage shall not be subject to any
68 deductible, co-insurance, or co-payment.

69 SECTION 7. Chapter 176G of the General Laws, as so appearing, is hereby amended by
70 inserting after section 4II the following section:-

71 Section 4JJ. Any individual or group health maintenance contract shall provide coverage
72 for annual vaccination against COVID-19; provided, that said coverage shall not be subject to
73 any deductible, co-insurance, or co-payment.

74 SECTION 8. Notwithstanding any general or special law to the contrary, the health
75 policy commission, in consultation with the center for health information and analysis, the
76 executive office of health and human services, and the division of insurance, shall produce
77 interim and final reports on the accessibility and affordability of COVID-19 vaccines in the
78 commonwealth and the effects of capping copayments and eliminating deductible and co-
79 insurance requirements on health care access and system cost.

80 The interim and final report shall include, but not be limited to: (i) rates of COVID-19
81 vaccine utilization; (ii) an analysis of the use of COVID-19 vaccination, broken down by patient
82 demographics, geographic region and insurance coverage; (iii) annual plan costs and member
83 premiums; (iv) the average list price of COVID-19 vaccines, broken down by manufacturer; (v)
84 the average increase in annual plan costs and member premiums due to vaccine list price
85 increases; (vi) the impact upon the health care cost growth benchmark; (vii) an analysis of the
86 impact of eliminating co-payments, deductibles, and co-insurance requirements for COVID-19
87 vaccination on patient access to and cost of care by patient demographics and geographic region;
88 (viii) out-of-pocket costs incurred by uninsured individuals; (ix) additional barriers to accessing
89 COVID-19 vaccination for uninsured individuals and policy recommendations for resolving such
90 barriers; (x) federal and state subsidies provided to develop COVID-19 vaccines, broken down
91 by manufacturer; (xi) current cost to produce each vaccine dose as of January 1, 2023; and (xii)
92 total profits realized from the COVID-19 vaccine between July 1, 2020 and January 1, 2023,
93 broken down by manufacturer. The interim report, including any recommendations for
94 expanding access to COVID-19 vaccination for uninsured individuals, shall be filed with the
95 clerks of the house of representatives and senate, the joint committee on public health, the joint
96 committee on health care financing, and the house and senate committees on ways and means not

97 later than 9 months after the effective date of this act. The final report, including any
98 recommendations for expanding access to COVID-19 vaccination for uninsured individuals,
99 shall be filed with the clerks of the house of representatives and senate, the joint committee on
100 public health, the joint committee on health care financing, and the house and senate committees
101 on ways and means not later than 18 months after the effective date of this act.