JOINT COMMITTEE ON FINANCIAL SERVICES 2025-2016 (194th) BILL SUMMARY

Bill No: H1240

Title: AN ACT RELATIVE TO INSULIN ACCESS

Sponsor(s): Rep. David Henry Argosky LeBoeuf (Worcester), Lindsay N. Sabadosa

(Northampton)

Hearing Date: October 1, 2025

Reporting Deadline: November 30, 2025

Prior History:

2021-22 (H4034): Ordered to a House Study

Similar Matters: None

Current Law:

M.G.L. c. 32A Contributory Group General or Blanket Insurance for Persons in the Service of the Commonwealth (Group Insurance Commission) § 17G Items medically necessary for the diagnosis or treatment of diabetes; group insurance commission coverage

M.G.L. c. 111 Public Health § 111N Pharmaceutical and medical device manufacturer conduct

M.G.L. c. 112 Registration of Certain Professions and Occupations

M.G.L. c. 118E Division of Medical Assistance (MassHealth)

M.G.L. c.175 Insurance

M.G.L. c. Non-Profit Hospital Service Corporations (Blue Cross of Massachusetts)

M.G.L. c. 176B Medical Service Corporations (Blue Shield of Massachusetts)

M.G.L. c. 176G Health Maintenance Organizations (HMOs)

Chapter 81 of the Acts of 2000, An Act relative to diabetes cost reduction §§ 1,2,3,4,5,6 Requires the Group Insurance Commission (GIC), MassHealth and commercial health insurers to provide coverage for medically necessary diabetes supplies and services.

Chapter 342 of the Acts of 2024, An Act relative to pharmaceutical access, costs and transparency §§ 26, 28, 31, 33, 34, 35

Requires the Group Insurance Commission (GIC), MassHealth and commercial health insurers to provide coverage for certain identified brand name drugs and generic drugs. Coverage for the identified generic drugs will not be subject to cost-sharing, including co-payments and coinsurance, and will not be subject to any deductible; provided, however, that cost-sharing will be

required if the applicable plan is governed by the Internal Revenue Code and would lose its tax-exempt status as a result of the prohibition on cost-sharing. Coverage for identified brand name drugs will not be subject to any deductible or co-insurance, and any co-payment will not exceed \$25 per 30-day supply. Coverage for 1 brand name insulin drug per dosage and type, including rapid-acting, short-acting, intermediate-acting, long-acting, ultra long-acting and premixed under this section will not be subject to any deductible or co-insurance and any co-payment will not exceed \$25 per 30-day supply.

42 USC 1396r-8 Payment for covered outpatient drugs

A rebate agreement will require the manufacturer to provide, to each State plan approved, a rebate for a rebate period in an amount specified for covered outpatient drugs of the manufacturer for which payment was made under the State plan, including drugs dispensed to individuals enrolled with a Medicaid managed care organization if the organization is responsible for coverage of such drugs. Such rebate will be paid by the manufacturer within 30 days of the manufacturer's receipt of specific information.

SUMMARY:

The Group Insurance Commission, MassHealth and commercial health insurers will cap the total amount that an individual is required to pay for insulin at \$100 per a 30-day supply, irrespective of the amount or type of insulin needed to fill the prescription.

Every pharmaceutical or medical device manufacturing company, engaged in the production and distribution of insulin with a Medicaid drug rebate agreement pursuant to 42 USC 1396r-8, will:

- Provide as part of the pharmaceutical or medical device manufacturing company's insulin patient assistance program offerings for individuals who urgently need insulin and are at risk of rationing to obtain an annual, one-time 30-day supply of insulin at no-cost; provided, that the individual has a prescription and provides written certification of financial need.
- Establish procedures to ensure that participation in the pharmaceutical or medical device manufacturing company's insulin patient assistance program is available to individuals who satisfy manufacturer-defined eligibility criteria consistent with the specifications of this bill.

The pharmaceutical or medical device manufacturing company will:

- Offer their application form on a website.
- Make an eligibility determination within 14 days of receipt of a completed application.
- Enroll eligible patients for 1 year.

An individual will be eligible for a pharmaceutical or medical device manufacturing company's insulin patient assistance program if:

- they are a United States citizen or legal resident.
- they have a household income that is equal to or less than 400 percent of the federal poverty guidelines.
- they do not have private prescription drug coverage.
- they are not eligible to receive prescription drug benefits through a federally funded program or through the Department of Veteran's Affairs.

However, an individual enrolled in Medicare Part D may be eligible to participate if they meet all other eligibility requirements and agree to any program terms and conditions set by the pharmaceutical or medical device manufacturing company.

A pharmaceutical or medical device manufacturing company may establish a program to provide individuals who urgently need insulin through a single-use voucher, redeemable at any retail pharmacy with a prescription.

A pharmaceutical or medical device manufacturing company that fails to comply with these provisions will be fined \$100,000 per month.