



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

HB3869

Introduced 10/17/2019, by Rep. Karina Villa

#### SYNOPSIS AS INTRODUCED:

15 ILCS 205/10 new  
215 ILCS 5/356z.33 new

Amends the Illinois Insurance Code and the Attorney General Act. Provides that insurers that provide coverage for prescription insulin drugs must limit the total amount an insured is required to pay for a covered prescription insulin drug to \$100 per 30-day supply of insulin regardless of the type and amount of insulin needed by the insured. Provides that the Attorney General shall investigate the pricing of prescription insulin drugs to ensure adequate consumer protections for Illinois consumers and to determine whether additional consumer protections are necessary. Requires the Attorney General to make the findings available to the public and to report to the Governor, the Department of Insurance, and the Judiciary Committees of the Senate and the House of Representatives. Provides for the repeal of the Attorney General's investigative duties on December 31, 2020.

LRB101 12935 SMS 61771 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 1. Findings. The General Assembly finds and  
5 declares that:

6 (1) Diabetes affects approximately 1,300,000 adults in  
7 Illinois (12.5% of the population);

8 (2) Diabetes is the seventh leading cause of death  
9 nationally and in Illinois;

10 (3) The toll on the Illinois economy has increased by  
11 more than 40% since 2007, costing the State  
12 \$245,000,000,000 in 2012;

13 (4) When someone has diabetes, the body either does not  
14 make enough insulin or is unable to use its own insulin,  
15 causing glucose levels to rise higher than normal in the  
16 blood;

17 (5) For people with Type 1 diabetes, near-constant  
18 self-management of glucose levels is essential to prevent  
19 life-threatening complications;

20 (6) From 2012 to 2016, the average price of insulin  
21 increased from 13 cents per unit to 25 cents per unit;  
22 therefore,

23 It is necessary for the State to enact laws to reduce the  
24 costs for Illinoisans with diabetes and increase their access

1 to life-saving and life-sustaining insulin.

2 Section 5. The Attorney General Act is amended by adding  
3 Section 10 as follows:

4 (15 ILCS 205/10 new)

5 Sec. 10. Investigation of prescription insulin drug  
6 pricing; report.

7 (a) The Attorney General shall investigate pricing of  
8 prescription insulin drugs made available to Illinois  
9 consumers to ensure adequate consumer protections in the  
10 pricing of prescription insulin drugs and to determine whether  
11 additional consumer protections are needed.

12 (b) As part of the investigation, the Attorney General  
13 shall gather, compile, and analyze information concerning the  
14 organization, business practices, pricing information, data,  
15 reports, or other information that the Attorney General finds  
16 necessary to fulfill the requirements of this Section from  
17 companies engaged in the manufacture or sale of prescription  
18 insulin drugs.

19 If necessary to fulfill the reporting requirements of this  
20 Section, the Attorney General may issue a civil investigative  
21 demand requiring a State agency, insurer, pharmacy benefit  
22 manager, or manufacturer of prescription insulin drugs that are  
23 made available in Illinois to furnish material, answers, data,  
24 or other relevant information.

1       (c) A person or business shall not be compelled to provide  
2 trade secrets.

3       (d) By November 1, 2020, the Attorney General shall issue  
4 and make available to the public a report detailing the  
5 findings from the investigation conducted pursuant to this  
6 Section. The Attorney General shall present the report to the  
7 Governor, the Department of Insurance, and the Judiciary  
8 Committees of the Senate and House of Representatives or their  
9 successor Committees. The report must include the following:

10           (1) a summary of insulin pricing practices and  
11 variables that contribute to pricing of health coverage  
12 plans;

13           (2) public policy recommendations to control and  
14 prevent overpricing of prescription insulin drugs made  
15 available to Illinois consumers;

16           (3) any recommendations for improvements to the  
17 Consumer Fraud and Deceptive Business Practices Act; and

18           (4) any other information the Attorney General finds  
19 necessary.

20       (e) This Section is repealed on December 1, 2020.

21       Section 10. The Illinois Insurance Code is amended by  
22 adding Section 356z.33 as follows:

23       (215 ILCS 5/356z.33 new)

24       Sec. 356z.33. Cost sharing in prescription insulin drugs;

1 limits; confidentiality of rebate information; definition;  
2 rules.

3 (a) As used in this Section, "prescription insulin drug"  
4 means a prescription drug that contains insulin and is used to  
5 treat diabetes.

6 (b) An insurer that provides coverage for prescription  
7 insulin drugs pursuant to the terms of a health coverage plan  
8 the insurer offers shall limit the total amount that an insured  
9 is required to pay for a covered prescription insulin drug at  
10 an amount not to exceed \$100 per 30-day supply of insulin,  
11 regardless of the amount or type of insulin needed to fill the  
12 insured's prescription.

13 (c) Nothing in this Section prevents an insurer from  
14 reducing an insured's cost sharing by an amount greater than  
15 the amount specified in subsection (b).

16 (d) The Director may use any of the Director's enforcement  
17 powers to obtain an insurer's compliance with this Section.

18 (e) The Department may adopt rules as necessary to  
19 implement and administer this Section and to align it with  
20 federal requirements.