



General Assembly

***Amendment***

***February Session, 2022***

**LCO No. 5719**



Offered by:

SEN. KELLY, 21<sup>st</sup> Dist.

SEN. HWANG, 28<sup>th</sup> Dist.

To: Subst. Senate Bill No. **13**

File No. 208

Cal. No. 164

***"AN ACT REDUCING PRESCRIPTION DRUG PRICES."***

1 Strike sections 1 to 4, inclusive, in their entirety and renumber the  
2 remaining sections and internal references accordingly

3 After the last section, add the following and renumber sections and  
4 internal references accordingly:

5 "Sec. 501. (NEW) (*Effective from passage*) (a) For the purposes of this  
6 section:

7 (1) "Affordable Care Act" has the same meaning as provided in  
8 section 38a-1080 of the general statutes;

9 (2) "Exchange" means the Connecticut Health Insurance Exchange  
10 established under section 38a-1081 of the general statutes; and

11 (3) "Office" means the Office of Health Strategy established under  
12 section 19a-754a of the general statutes, as amended by this act.

13 (b) The office shall, in conjunction with the Office of Policy and  
14 Management, the Insurance Department and the Health Reinsurance  
15 Association created under section 38a-556 of the general statutes, seek a  
16 state innovation waiver under Section 1332 of the Affordable Care Act  
17 to establish a reinsurance program pursuant to subsection (d) of this  
18 section.

19 (c) Subject to the approval of a waiver described in subsection (b) of  
20 this section, the office, not later than September 1, 2023, for plan year  
21 2024 and annually thereafter for the subsequent plan year, shall:

22 (1) Determine the amount needed, not to exceed twenty-one million  
23 two hundred ten thousand dollars, annually, to fund the reinsurance  
24 program established pursuant to subsection (d) of this section; and

25 (2) Inform the Office of Policy and Management of the amount  
26 determined pursuant to subdivision (1) of this subsection.

27 (d) The amount described in subsection (c) of this section shall be  
28 utilized to establish a reinsurance program for the individual health  
29 insurance market designed to lower premiums on health benefit plans  
30 sold in such market, on and off the exchange, provided the federal  
31 government approves the waiver described in subsection (b) of this  
32 section. Any such reinsurance program shall be administered by the  
33 Health Reinsurance Association. The Treasurer shall annually pay the  
34 amount as described in subsection (c) of this section for the purpose of  
35 administering such reinsurance program.

36 (e) If the waiver described in subsection (b) of this section terminates  
37 and the office does not obtain another waiver pursuant to subsection (a)  
38 of this section, the Treasurer shall cease paying the amount described in  
39 subsection (c) of this section for the purpose of administering the  
40 reinsurance program established pursuant to subsection (d) of this  
41 section.

42 Sec. 502. (*Effective from passage*) Not later than January 1, 2023, the  
43 Insurance Department shall prepare and submit a report, in accordance

44 with section 11-4a of the general statutes, to the joint standing committee  
 45 of the General Assembly having cognizance of matters relating to  
 46 insurance. Such report shall include, but need not be limited to, an  
 47 analysis of pharmacy benefit manager distribution of prescription drug  
 48 practices regarding spread pricing arrangements, manufacturing  
 49 rebates and transparency and accountability.

50 Sec. 503. (*Effective from passage*) Not later than January 1, 2023, the  
 51 Department of Public Health and State Comptroller shall prepare and  
 52 submit a report, in accordance with section 11-4a of the general statutes,  
 53 to the joint standing committee of the General Assembly having  
 54 cognizance of matters relating to insurance. Such report shall include an  
 55 analysis of state purchasing pools for prescription drugs and health care  
 56 supplies, and shall describe: (1) Whether current pool purchasing  
 57 arrangements with other states are resulting in cost savings in the state;  
 58 and (2) whether other potential pool purchasing relationships may  
 59 result in lower prescription drug and health care costs."

This act shall take effect as follows and shall amend the following sections:		
Sec. 501	<i>from passage</i>	New section
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Sec. 503	<i>from passage</i>	New section