



**NovaRest**  
ACTUARIAL CONSULTING

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## **Analysis of Senate Bill No. 2183 Relating to Accident and Health Insurance Coverage of Diabetes Drugs and Supplies**

Prepared for the North Dakota Legislative Council  
Pursuant to North Dakota Century Code 54-03-28

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## Table of Contents

I.	Evaluation of Proposed Mandated Health Insurance Services.....	3
II.	Process.....	4
III.	Mandated Coverage for Insulin.....	5
	Background .....	5
	Condition .....	5
	Treatment.....	6
	Incidence.....	7
	Cost .....	7
	Prevalence of Coverage.....	8
	North Dakota Commercial Insurers .....	8
	State Employee Retiree Group Health Insurance (NDPERS).....	8
	Other States/Organizations.....	8
	Questions Concerning Mandated Coverage for Insulin.....	8
IV.	Other State Diabetes Coverage Laws .....	11
	Appendix A: Carrier Survey Responses.....	27



## ***I. Evaluation of Proposed Mandated Health Insurance Services***

The North Dakota Legislative Council (NDLC) was asked to perform a cost benefit analysis of Senate Bill No. 2183<sup>1</sup> for the Sixty-seventh Legislative Assembly pursuant to the North Dakota Century Code (NDCC) 54-03-28. Senate Bill 2183 amends and reenacts section 26.1-36.6-03 of the NDCC. Senate Bill 2183 (SB 2183), as proposed, states that “an insurer may not deliver, issue, execute, or renew a policy that provides coverage for an insulin drug or medical supplies for insulin dosing and administration unless the policy complies with this section.” The policy must provide cost-sharing for a thirty-day supply of:

- a) Prescribed insulin drugs which may not exceed twenty-five dollars per pharmacy or distributor, regardless of the quantity or type of insulin drug used to fill the covered individual's prescription needs.
- b) Prescribed medical supplies for insulin dosing and administration, the total of which may not exceed twenty-five dollars per pharmacy or distributor, regardless of the quantity or manufacturer of supplies used to fill the covered individual's prescription needs.

As defined in the bill, the terms insulin drug and medical supplies do not include an insulin pump, an electronic insulin-administering smart pen, or a continuous glucose monitor, or supplies needed specifically for the use of such electronic devices.

NovaRest, Inc. has been contracted as the NDLC’s consulting actuary, and have prepared the following evaluation of: accident and health insurance coverage of diabetes drugs and supplies.

This report includes information from several sources to provide more than one perspective on the proposed mandate with the intention of providing a totally unbiased report. As a result, there may be some conflicting information within the contents. Although we only used sources that we considered credible, we do not offer any opinions regarding whether one source is more credible than another, leaving it to the reader to develop his/her own conclusions.

The Affordable Care Act (ACA) describes a broad set of benefits that must be included in any Essential Health Benefits (EHB) package. In its December 2011 bulletin, the Department of Health and Human Services (HHS) provided guidance on the types of health benefit plans each state could consider when determining a benchmark EHB plan for its residents. Each state had the opportunity to update its benchmark plan effective for 2017. North Dakota has chosen the small group Blue Cross Blue Shield of North Dakota (BCBSND) BlueCare Gold 90 500 as its

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<sup>1</sup> Bill Versions for SB 2183. <https://www.legis.nd.gov/assembly/67-2021/bill-index/bi2183.html>  
Accessed January 27, 2021.



2017-2022 benchmark plan.<sup>2</sup> Insulin where medically necessary and with a prescription is covered by BCBSND in its Gold 90 500 plan; however, it does not limit other carriers' specification of member cost sharing or formulary. It is important to note that the ACA requires states to fund the cost of any mandates that are not included in the state-specific EHBs for policies purchased through the Health Exchange Market.

NovaRest anticipates this bill will result in increases in health insurance premiums approximately 1.2% of premium or \$5.54 per member per month (PMPM).

## ***II. Process***

NovaRest was charged with addressing the following questions regarding this proposed mandate:

- The extent to which the coverage will increase or decrease the cost of the service;
- The extent to which the coverage will increase the appropriate use of the service;
- The extent to which the coverage will increase or decrease the administrative expenses of carriers, including health maintenance organizations, or other organizations authorized to provide health benefit plans in the State, and the premium and administrative expenses of policyholders and contract holders; and
- The impact of this coverage on the total cost of health care.

To provide as complete a picture as possible regarding the proposed impact of this mandate, NovaRest issued a survey to the commercial/HMO carriers in the commercial fully insured market in North Dakota to ascertain the extent to which the proposed mandate is currently covered in their policies. The survey responses are included in Appendix A. The following chart shows the major carriers and the degree to which they responded to the surveys.

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<sup>2</sup> Centers for Medicare and Medicaid Services. "2017-2020 EHB Benchmark Plan Information." <https://www.cms.gov/CCIIO/Resources/Data-Resources/ehb.html#North%20Dakota>. Accessed January 26, 2021.



**Table 1: Commercial Carriers/HMOs Surveyed and the Degree to Which They Responded**

Carrier/HMO	Full Response	Partial Response	Did Not Provide Any Answers
Blue Cross Blue Shield ND	X		
Medica Insurance Company	X		
Sanford Health Plan	X		

### ***III. Mandated Coverage for Insulin***

Senate Bill 2183 would apply to policies delivered, issued, executed, or renewed on or after July 1, 2021 that provide coverage for an insulin drug or medical supplies for insulin dosing and administration. It limits cost sharing for prescribed insulin drugs to no more than \$25 per pharmacy or distributor, regardless of the quantity or type of insulin drug used to fill the covered individual's prescription needs. Similarly, it limits cost sharing for the total of prescribed medical supplies for insulin dosing and administration to no more than \$25 per pharmacy or distributor, regardless of the quantity or manufacturer of supplies used to fill the covered individual's prescription needs.

#### **Background**

##### ***Condition***

Diabetes is a chronic health condition that makes a person's body unable to regulate blood glucose due to either not producing enough insulin or not being able to appropriately use the insulin that it does make.<sup>3</sup> For this reason, blood glucose levels stay elevated in the bloodstream, leading to other serious health problems such as heart disease, vision loss, and kidney disease.<sup>4</sup>

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<sup>3</sup> What is Diabetes? Centers for Disease Control and Prevention.

<https://www.cdc.gov/diabetes/basics/diabetes.html> . Accessed January 26, 2021.

<sup>4</sup> Ibid.



The CDC identifies three types of diabetes (Type 1, Type 2, and Gestational Diabetes) as well as Prediabetes.

- Type 1 diabetes is caused by a flaw in pancreatic beta cells which produce insulin, resulting in little to no production of insulin.<sup>5</sup> Approximately 5-10% of diabetics have Type 1 diabetes.<sup>6</sup>
- Type 2 is more common and occurs when tissues are resistant to insulin.<sup>7</sup>
- Gestational Diabetes develops in pregnant women who have not had diabetes, and it usually goes away after the child is born but leads to increased risk of Type 2 diabetes in both the mother and the child.<sup>8</sup>
- Prediabetes refers to those who have elevated blood glucose levels that are not yet high enough to be diagnosed as Type 2.<sup>9</sup>

### ***Treatment***

In some cases, diabetes can be managed with a healthy lifestyle, which includes healthy food choices, being active, and losing weight if a person is overweight.<sup>10</sup> However, not all diabetes can be managed just through healthy life choices. Diabetes can be treated with a wide range of medications. Some of these include:

- Metformin: pills that reduce sugar production from the liver
- Thiazolidinediones: pills that enhance sugar removal from the blood stream
- Insulin releasing pills: pills that increase insulin release from the pancreas
- Starch blockers: pills that slow starch (sugar) absorption from the gut
- Incretin based therapies: pills and injections that reduce sugar production in the liver and slow the absorption of food
- Non-insulin Treatment for Type 2 Diabetes – Amylin analogs: injections that reduce sugar production in the liver and slow the absorption of food
- Insulin therapy: Injections that raise your insulin level

In type 1 diabetes, insulin therapy is vital for replacing the insulin the body does not produce. In type 2 diabetes insulin therapy is used when other treatments have not been able to keep blood glucose levels within the desired range. There are several types of insulin that vary in how quickly and how long they can control blood sugar. Insulin is delivered through shots or pens, an insulin pump, or an inhaler.<sup>11</sup>

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<sup>5</sup> "Glossary." Diabetes Education Online, [dtc.ucsf.edu/types-of-diabetes/](http://dtc.ucsf.edu/types-of-diabetes/).

<sup>6</sup> What is Diabetes? Centers for Disease Control and Prevention.  
<https://www.cdc.gov/diabetes/basics/diabetes.html> . Accessed January 26, 2021.

<sup>7</sup> "Glossary." Diabetes Education Online, [dtc.ucsf.edu/types-of-diabetes/](http://dtc.ucsf.edu/types-of-diabetes/).

<sup>8</sup> What is Diabetes? Centers for Disease Control and Prevention.  
<https://www.cdc.gov/diabetes/basics/diabetes.html> . Accessed January 26, 2021.

<sup>9</sup> Ibid.

<sup>10</sup> Ibid.

<sup>11</sup> "Diabetes Treatment: Using Insulin to Manage Blood Sugar." Mayo Clinic, Mayo Foundation for Medical Education and Research, 24 July 2019, [www.mayoclinic.org/diseases-conditions/diabetes/in-depth/diabetes-treatment/](https://www.mayoclinic.org/diseases-conditions/diabetes/in-depth/diabetes-treatment/) . Accessed January 27, 2021.



Approximately 7.4 million Americans with diabetes use one or more formulations of insulin.<sup>12</sup> Most people who take insulin injections need at least 2 insulin shots a day, but others may need more.

### ***Incidence***

According to the CDC, 34.2 million people have diabetes in the United States and 88 million have prediabetes.<sup>13</sup> Diabetes is a condition that affects 50,000 or 8.1% of adults in North Dakota.<sup>14</sup> Compared to adults aged 18 to 44 years, incidence rates of diagnosed diabetes were higher among adults aged 45 to 64 years and those aged 65 years and older.<sup>15</sup>

### ***Cost***

Per capita insulin costs are estimated to be over \$5,600.<sup>16</sup> The average price of insulin has increased at an average rate of 11% annually since 2001.<sup>17</sup> From 2012-2016 the cost of insulin nearly doubled.<sup>18</sup> The cost of insulin varies widely by product; however, the average monthly price is approximately \$450 per month.<sup>19</sup>

Insulin costs comprise almost 20 percent of the direct diabetes cost prior to rebates and discounts, or 6 percent after rebates and discounts.<sup>20</sup>

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<sup>12</sup> Cefalu, William T., et al. "Insulin Access and Affordability Working Group: Conclusions and Recommendations." Diabetes Care, American Diabetes Association, 1 June 2018, [care.diabetesjournals.org/content/41/6/1299](http://care.diabetesjournals.org/content/41/6/1299).

<sup>13</sup> What is Diabetes? Centers for Disease Control and Prevention. <https://www.cdc.gov/diabetes/basics/diabetes.html> . Accessed January 26, 2021.

<sup>14</sup> Agency MABU Marketing Advertising Business Unlimited. "Diabetes in Numbers:" *North Dakota Diabetes Prevention and Control Program*, [www.diabetesnd.org/learn-the-facts/](http://www.diabetesnd.org/learn-the-facts/) . Accessed January 27, 2021.

<sup>15</sup> Centers for Disease Control and Prevention. National Diabetes Statistics Report, 2020. Atlanta, GA: Centers for Disease Control and Prevention, U.S. Dept of Health and Human Services; 2020.

<sup>16</sup> Tara O'Neill Hayes, Josee Farmer. "Insulin Cost and Pricing Trends." American Action Forum. <https://www.americanactionforum.org/research/insulin-cost-and-pricing-trends/#:~:text=With%20more%20than%208%20million,direct%20medical%20costs%20of%20diabetics> . Accessed January 27, 2021.

<sup>17</sup> Ibid.

<sup>18</sup> Robin Respaut, Chad Terhune. "U.S. insulin costs per patient nearly doubled from 2012 to 2016: study." Reuters.

<https://www.reuters.com/article/us-usa-healthcare-diabetes-cost/u-s-insulin-costs-per-patient-nearly-doubled-from-2012-to-2016-study-idUSKCN1PG136> . Accessed January 27, 2021.

<sup>19</sup> Katie Thomas. "Express Scripts Offers Diabetes Patients a \$25 Cap for Monthly Insulin." New York Times. <https://www.nytimes.com/2019/04/03/health/drug-prices-insulin-express-scripts.html> . Accessed January 27, 2021.

<sup>20</sup> Tara O'Neill Hayes, Josee Farmer. "Insulin Cost and Pricing Trends." American Action Forum. <https://www.americanactionforum.org/research/insulin-cost-and-pricing-trends/#:~:text=With%20more%20than%208%20million,direct%20medical%20costs%20of%20diabetics> . Accessed January 27, 2021.





## **Prevalence of Coverage**

### ***North Dakota Commercial Insurers***

All commercial insurers in North Dakota that responded to our data request cover insulin to some extent; however, this bill would reduce member cost sharing and prohibit the insurers from using their formulary to determine coverage.

### ***State Employee Retiree Group Health Insurance (NDPERS)***

Similar to the commercial insurers, NDPERS covers insulin, but the proposed bill would reduce member cost sharing and prohibit NDPERS from using their formulary to determine coverage.

### ***Other States/Organizations***

A summary of other states coverages is included in section IV. Forty-six other states appear to offer some coverages for diabetes including requiring prescription drugs and supplies to be consistent with similar benefits, however, it appears only New Hampshire and Utah include a cap on member cost sharing for a 30-day supply of insulin.

Cigna and Express Scripts announced a \$25 member out-of-pocket cap on insulin costs.<sup>21</sup>

Medicare Part D patients will cap some insulin costs at a maximum \$35 copay for a months supply.<sup>22</sup>

## **Questions Concerning Mandated Coverage for Insulin**

### ***The extent to which the coverage will increase or decrease the cost of the service.***

The proposed bill will limit member cost sharing on insulin and supplies. We expect that this will lead to an increase in utilization of insulin and supplies for members who could not afford or were rationing treatment due to cost. However, insulin is a common prescription. We do not believe this additional utilization will meaningfully affect the price of insulin.

Additionally, the bill will limit an insurer's ability to use a formulary to determine coverage of an insulin drug or medical supplies for insulin dosing and

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<sup>21</sup> Katie Thomas. "Express Scripts Offers Diabetes Patients a \$25 Cap for Monthly Insulin." New York Times. <https://www.nytimes.com/2019/04/03/health/drug-prices-insulin-express-scripts.html> . Accessed January 27, 2021.

<sup>22</sup> President Trump Announces Lower Out of Pocket Insulin Costs for Medicare's Seniors. Centers for Medicare & Medicaid Services. <https://www.cms.gov/newsroom/press-releases/president-trump-announces-lower-out-pocket-insulin-costs-medicare-seniors> . Accessed January 25, 2021.





administration. Insurers use the formulary to improve pricing and rebates from drug manufacturers. We do not believe that limiting the use of formularies would increase overall utilization, but it would likely affect which insulin and supplies are prescribed. This could result in some price increase for some insulin or supplies that are less widely available, but we do not believe this will materially affect prices.

**The extent to which the coverage will increase the appropriate use of the service.**

A 2018 study found that 1 in 4 patients with diabetes underuse insulin because of the cost.<sup>23</sup> Limiting the member cost sharing will increase in the appropriate use of the drug. Similarly, limiting the use of a formulary will allow members to access the specific treatments prescribed by their health care professional, which we assume would be the most appropriate treatment.

**The extent to which the coverage will increase or decrease the administrative expenses of carriers, including health maintenance organizations, or other organizations authorized to provide health benefit plans in the State, and the premium and administrative expenses of policyholders and contract holders.**

Insurers in North Dakota already cover insulin, so limiting the cost sharing will not impact the administrative costs other than the increase in utilization. Restricting the use of a formulary may reduce the administrative burden of covering specific versions of insulin or supplies; however, we anticipate savings to be insignificant.

**The impact of this coverage on the total cost of health care.**

The direct medical cost related to diabetes is approximately \$237 billion.<sup>24</sup> The CDC lists diabetes are one of the most expensive chronic conditions in the United States.<sup>25</sup> Another of the CDC's most expensive chronic conditions is heart disease, which is very closely related to diabetes especially if not managed appropriately. Insulin costs comprise almost 20 percent of the direct diabetes cost prior to rebates and discounts, or 6 percent after rebates and discounts.<sup>26</sup> Similarly, 30 percent is

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<sup>23</sup> Herkert D, Vijayakumar P, Luo J, et al. Cost-Related Insulin Underuse Among Patients With Diabetes. JAMA Intern Med. 2019;179(1):112–114. doi:10.1001/jamainternmed.2018.5008

<sup>24</sup> The Cost of Diabetes. American Diabetes Association.

<https://www.diabetes.org/resources/statistics/cost-diabetes> . Accessed January 26, 2021.

<sup>25</sup> Health and Economic Costs of Chronic Diseases. Centers for Disease Control and Prevention.

<https://www.cdc.gov/chronicdisease/about/costs/index.htm#ref5> . Accessed January 26, 2021.

<sup>26</sup> Tara O'Neill Hayes, Josee Farmer. "Insulin Cost and Pricing Trends." American Action Forum.

<https://www.americanactionforum.org/research/insulin-cost-and-pricing-trends/#:~:text=With%20more%20than%208%20million,direct%20medical%20costs%20of%20diabetics> .



associated with “excess use of other prescription medications attributed to higher disease prevalence associated with diabetes.”<sup>27</sup>

One in four underuse insulin due to cost.<sup>28</sup> Capping the member cost sharing has the potential to increase insulin use to appropriate levels and reduce the prevalence of other costly diseases or treatments associated with the mismanagement of diabetes. However, we are unable to quantify this possible cost savings.

### ***Carrier Estimate***

North Dakota commercial carriers that responded to our data request estimate:

- Between \$0.34 PMPM to \$0.43 PMPM in lost member cost sharing insulin drugs and medical supplies for insulin dosing and administration.<sup>29</sup> NDPERS estimated \$1.33 PMPM.
- Between \$3.23 PMPM to \$5.25 PMPM in lost rebates by restricting the use of a formulary for insulin coverage. NDPERS estimated \$3.72 PMPM.

One carrier stated that averages may not be telling the entire story. They said, “There is likely a small number of people, like people who have a high deductible plan but no access to a preventive list that contains insulin, who pay a lot out of pocket, especially early in the year. With more time to respond, I think carriers could provide some sort of distribution of member cost share to show that the affordability issue is likely isolated to a small number of people.” They believe a more focused approach on the issue could provide better results with a lower impact.”

### ***NovaRest Estimate***

NovaRest estimates the combined percentage impact on health care costs and premiums is approximately 1.2% of premium (0.1% for the cap on member cost sharing and 1.1% for the restriction on formularies) or approximately \$5.52 PMPM (\$0.66 for the cap on member cost sharing and \$4.87 for the restriction on formularies) on a PMPM basis. Given the low-cost impact of the proposed mandate, it is unlikely that its passage alone would cause a major shift to self-insurance.

NovaRest does not have access to insulin or insulin related medical supply

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<sup>27</sup> Economic Costs of Diabetes in the U.S. in 2017. American Diabetes Association. Diabetes Care 2018 May; 41(5): 917-928. <https://doi.org/10.2337/dci18-0007>

<sup>28</sup> Herkert D, Vijayakumar P, Luo J, et al. Cost-Related Insulin Underuse Among Patients With Diabetes. JAMA Intern Med. 2019;179(1):112–114. doi:10.1001/jamainternmed.2018.5008

<sup>29</sup> We assume the \$25 member cost sharing will be applied separately for insulin drugs and medical supplies, so a combined \$50 member cost sharing for a \$30 supply. We note the bill does not define what the insurers will define as insulin drugs as opposed to medical cost supplies.



utilization or cost information in North Dakota. Similarly, NovaRest does not have information on insurer discounts or rebate information related to insulin or medical supplies and this information may often be considered confidential. Instead, NovaRest performed a data call to the major insurers in North Dakota as well as relied on the fiscal note and report from Deloitte regarding this bill.

NovaRest used 2019 Supplemental Health Care Expenditure (SHCE) data for earned premiums, incurred claims, and member months for the commercial insurers. The cost impact of the proposed coverage for the insurers was provided by insurers as a data call. The data call questions posed to the commercial carriers and responses are provided in Appendix A.

NDPERS responses were used for premiums, loss ratios, and membership. The cost impact for NDPERS was provided in a Deloitte actuarial report<sup>30</sup> and the NDPERS financial note.<sup>31</sup>

NovaRest applied the estimated cost impact to the premium and membership information to determine the average total cost on a PMPM basis and as a percentage of premium in the state.

#### ***IV. Other State Diabetes Coverage Laws<sup>32</sup>***

There are 46 states who have a mandate or some kind of insurance requirement specific to diabetes coverage.

4 states that do not have a mandate or insurance requirement specific to diabetes coverage: Ohio, North Dakota, Idaho, and Alabama

States that require health insurers to offer at least one type of policy that includes coverage of diabetes treatment, but do not require such coverage as a mandated benefit: Missouri and Mississippi<sup>33</sup>

**Alaska:** [Alaska ST §21.42.390](#) requires coverage for pharmacy services and at each renewal provide coverage for the cost of treating diabetes, including medication, equipment, and supplies. Outpatient self-management training or

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<sup>30</sup> Josh Johnson and Drew Rasmussen, Deloitte Consulting LLP. Actuarial Review Of Proposed Bill 21.0183.01000. December 15, 2020.

<sup>31</sup> FISCAL NOTE Requested by Legislative Council 01/12/2021.

<https://www.legis.nd.gov/assembly/67-2021/fiscal-notes/21-0798-01000-fn.pdf>. Accessed January 25, 2021.

<sup>32</sup> <https://www.ncsl.org/research/health/diabetes-health-coverage-state-laws-and-programs.aspx>

<sup>33</sup> Dick Cauchi, Ashley Noble. Diabetes Health Coverage: State Laws and Programs, 2016, [www.ncsl.org/research/health/diabetes-health-coverage-state-laws-and-programs.aspx#Alabama](http://www.ncsl.org/research/health/diabetes-health-coverage-state-laws-and-programs.aspx#Alabama).



education, and medical nutrition therapy if prescribed by a health care provider with training in the treatment of diabetes need to be covered.

**Arizona:** [ST §20-2325](#) requires that any health benefits plans that is offered by an accountable health plan provides coverage for diabetes shall also provide coverage for equipment supplies that are medically necessary and that are prescribed by a health care provider.

**Arkansas:** [ST §23-79-602](#): Requires one per lifetime training program per insured for diabetes self-management training when medically necessary. Additional training is covered if prescribed by a physician.

[ST §23-79-603](#): Every health insurance policy shall include medical coverage for medically necessary equipment, supplies, and services for the treatment of Type I, Type II, and gestational diabetes, when prescribed by a physician licensed under 17-95-201 et seq. The coverage required by this section shall be consistent with that established for other services covered by a given health insurance policy in regard to any of the following: (1) Deductibles, coinsurance, other patient cost-sharing amounts or out-of-pocket limits; or (2) Prior authorization or other utilization review requirements or processes.

[ST §23-79-607](#): Does not apply to long-term care plans, disability income plans, short-term nonrenewable individual health insurance policies that expire after 6 months, medical payments under homeowner or auto policies, and workers' compensation insurance.

**California:** [HLTH & S §1367.51](#): Every health care service plan contract, except a specialized health care service plan contract that covers hospital, medical, or surgical expenses shall include coverage for certain equipment, supplies, and drugs for the management and treatment of insulin-using diabetes, non-insulin-using diabetes, and gestational diabetes as medically necessary, even if the items are available without a prescription. Every plan shall provide coverage for diabetes outpatient self-management training, education, and medical nutrition therapy necessary to enable an enrollee to properly use the equipment, supplies, and medications. The copayments for the benefits shall not exceed those established for physician office visits by the plan.

**Colorado:** Colorado Statute: [ST §10-16-104](#) (subsection 13): Any health benefit plan, except supplemental policies covering a specified disease or other limited benefit, that provides hospital, surgical, or medical expense insurance shall provide coverage for diabetes that shall include equipment, supplies, and outpatient self-management training and education, including medical nutrition therapy if prescribed by a health care provider licensed to prescribe such items pursuant to Colorado law, and, if coverage is provided through a managed care plan, such qualified provider shall be a participating provider in such managed care plan. The benefits are subject to the same annual deductibles or copayments established for all other covered benefits within a given policy.



**Connecticut:** [CT ST §38a-492d](#): Each individual health insurance policy providing coverage of the type specified in subdivisions (1), (2), (4), (11) and (12) of section 38a-469 delivered, issued for delivery or renewed in this state on or after October 1, 1997, shall provide coverage for laboratory and diagnostic tests for all types of diabetes along with medically necessary coverage for the treatment of insulin-dependent diabetes, insulin-using diabetes, gestational diabetes, and non-insulin-using diabetes. Such coverage shall include equipment, drugs, and supplies.

[CT ST §38a-492e](#): It is also required to provide coverage for outpatient self-management training. Benefits shall cover: (1) Initial training visits provided to an individual including, but not limited to, counseling in nutrition and the proper use of equipment and supplies for the treatment of diabetes – maximum ten hours; (2) training and education as a result of a subsequent diagnosis – maximum four hours; and (3) training and because of the development of new techniques and treatment for diabetes – maximum four hours.

**Delaware:** [18§3344](#): Requires providing benefits to any subscriber or other person covered thereunder for expenses incurred for the following equipment and supplies for the treatment of diabetes, if recommended in writing or prescribed by a physician: insulin pumps, blood glucose meters and strips, urine testing strips, insulin, syringes, and pharmacological agents for controlling blood sugar.



**Florida:** [FL ST §627.6408](#): A health insurance policy or group health insurance policy must provide coverage for all medically appropriate and necessary equipment, supplies, and diabetes outpatient self-management training and educational services used to treat diabetes, if the patient's treating physician or a physician who specializes in the treatment of diabetes certifies that such services are necessary. Policy may require that diabetes outpatient self-management training and educational services be provided under the direct supervision of a certified diabetes educator or a board-certified endocrinologist. The policy may further require that nutrition counseling be provided by a licensed dietitian.

**Georgia:** [Georgia Code §33-24-59.2](#): Requires coverage for medically necessary equipment, supplies, pharmacologic agents, and outpatient self-management training and education, including medical nutrition therapy, for individuals with insulin-dependent diabetes, insulin-using diabetes, gestational diabetes, and noninsulin-using diabetes who adhere to the prognosis and treatment regimen prescribed by a physician licensed to practice medicine

**Hawaii:** [HI ST §431:10A-121](#): Each policy of accident and health or sickness insurance providing coverage for health care, other than an accident-only, specified disease, hospital indemnity, Medicare supplement, long-term care, or other limited benefit health insurance policy, that is issued or renewed in this State, shall provide coverage for outpatient diabetes self-management training, education, equipment, and supplies, if: (1) The equipment, supplies, training, and education are medically necessary; and (2) The equipment, supplies, training, and education are prescribed by a health care professional authorized to prescribe.

**Illinois:** [215 ILCS 5/356w](#): Requires coverage for outpatient self-management training and education, equipment, and supplies, as set forth in this Section, for the treatment of type 1 diabetes, type 2 diabetes, and gestational diabetes mellitus.

**Indiana:** [IN ST 27-8-14.5-4](#): Requires coverage to the insured for the medically necessary treatment for diabetes, including medically necessary supplies and equipment as ordered in writing by a physician licensed under IC 25-22.5 or a podiatrist licensed under IC 25-29, subject to the general provisions of the health insurance plan.

[IN ST 27-8-14.5-5](#): An insured may not be required to pay an annual deductible or copayment that is greater than an annual deductible or copayment established for similar benefits under the health insurance plan. If the plan does not cover a similar benefit, the copayment or deductible may not be set at a level that materially diminishes the value of the diabetes benefit required. An insured may be subject to coinsurance that is not greater than coinsurance established for similar benefits under the health insurance plan. If the plan does not cover a similar benefit, the coinsurance may not be set at a level that materially diminishes the value of the diabetes benefit required.





**IN ST 27-8-14.5-6:** A health insurance plan issued by an insurer must provide coverage for diabetes self-management training that is: medically necessary, ordered in writing by a physician licensed under IC 25-22.5 or a podiatrist licensed under IC 25-29, provided by a health care professional. Coverage for diabetes self-management training may be limited to the following: One or more visits after receiving a diagnosis of diabetes, one or more visits after receiving a diagnosis by a physician licensed under IC 25-22.5 or a podiatrist licensed under IC 25-29 that: (A) represents a significant change in the insured's symptoms or condition; and (B) makes changes in the insured's self-management medically necessary.

**Iowa:** **IA ST §514C.18:** A policy or contract providing for third-party payment or prepayment of health or medical expenses shall provide coverage benefits for the cost associated with equipment, supplies, and self-management training and education for the treatment of all types of diabetes mellitus when prescribed by a physician licensed under chapter 148. Coverage benefits shall include coverage for the cost associated with all of the following:

- a) Equipment and supplies
- b) Payment for diabetes if the following conditions are met: the physician certifies that such services are needed under a comprehensive plan of care and the training and education program are certified by the IA department of health

**Kansas:** **KS ST § 40-2,163:** Requires coverage for accident and health services providing coverage for equipment, and supplies, limited to hypodermic needles and supplies used exclusively with diabetes management and outpatient self-management training and education, including medical nutrition therapy, for the treatment of insulin dependent diabetes, insulin-using diabetes, gestational diabetes and noninsulin using diabetes if prescribed by a health care professional legally authorized to prescribe such services and supplies under the law. Such coverage shall include coverage for insulin only if such coverage also includes coverage of prescription drugs. The benefits provided in this act shall be subject to the same annual deductible or co-insurance and the same requirement of medical necessity established for all other covered benefits within a given policy.

**Kentucky:** **KY ST §304.17A-148:** Requires coverage for equipment, supplies, outpatient self-management training and education, including medical nutrition therapy, and all medications necessary for the treatment of insulin-dependent diabetes, insulin-using diabetes, gestational diabetes, and noninsulin-using diabetes if prescribed by a health care provider legally authorized to prescribe the items. Diabetes outpatient self-management training and education shall be provided by a certified, registered, or licensed health care professional with expertise in diabetes, as deemed necessary by a health care provider. The benefits provided in this section shall be subject to the same annual deductibles or coinsurance established for all other covered benefits within a given health benefit plan.





**Louisiana:** [LA R.S. 22:1034](#): Requires coverage for the equipment, supplies, and outpatient self-management training and education, including medical nutrition therapy, for the treatment of insulin-dependent diabetes, insulin-using diabetes, gestational diabetes, and non-insulin using diabetes if prescribed by a physician or, if applicable, the patient's primary care physician. Coverage for a one-time evaluation and training program per policy for diabetes self-management when medically necessary as determined by a physician is required. Programs shall be provided by a health care professional in compliance with the National Standards for Diabetes Self-Management Education Program as developed by the American Diabetes Association. The coverage shall not exceed five hundred dollars. Coverage for additional diabetes self-management training shall be provided if a physician prescribes such additional training based upon its medical necessity because of a significant change in the insured's symptoms or conditions. This additional coverage shall be limited to one hundred dollars per year and a lifetime limit of two thousand dollars per insured. Benefits shall be subject to the same annual deductibles or co-insurance established for all other covered benefits within a given policy. The provisions shall not apply to limited benefit health insurance policies or contracts authorized to be issued in this state or to medical benefit plans that are established under and regulated by the Employee Retirement Income Security Act (ERISA) of 1974.

**Maine:** [ME ST T. 24 §2332-F](#): Requires coverage for the medically appropriate and necessary equipment, limited to insulin, oral hypoglycemic agents, monitors, test strips, syringes and lancets, and the out-patient self-management training and educational services used to treat diabetes, if (1) The subscriber's treating physician or a physician who specializes in the treatment of diabetes certifies that the equipment and services are necessary; and (2) The diabetes out-patient self-management training and educational services are provided through ambulatory diabetes education facilities authorized by the State's Diabetes Control Project within the Bureau of Health

**Maryland:** [MD INSURANCE §15-706](#): Reimbursement for a dietician or nutritionist licensed under the Health Occupations Article is needed if being treated for cardiovascular disease, diabetes, malnutrition, cancer, cerebral vascular disease, or kidney disease.

[MD INSURANCE §15-822](#): Requires coverage for all medically appropriate and necessary diabetes equipment, diabetes supplies, and diabetes outpatient self-management training and educational services, including medical nutrition therapy, that the insured's or enrollee's treating physician or other appropriately licensed health care provider, or a physician who specializes in the treatment of diabetes, certifies are necessary for the treatment of insulin-using diabetes, noninsulin-using diabetes, or elevated blood glucose levels induced by pregnancy. If certified as necessary, the diabetes outpatient self-management training and educational services, including medical nutrition therapy, shall be provided through a program supervised by an appropriately licensed, registered, or certified health



care provider. Coverage may be subject to the annual deductibles or coinsurance requirements imposed by an entity subject to this section for similar coverages under the same health insurance policy or contract. The annual deductibles or coinsurance requirements for the coverage required under this section may not be greater than the annual deductibles or coinsurance requirements imposed by the entity for similar coverages.

**Massachusetts:** [MA ST 118E §10C](#): Requires coverage for the following items if such items are within a category of benefits or services for which coverage is otherwise afforded, have been prescribed by a health care professional legally authorized to prescribe such items and if the items are medically necessary for the diagnosis or treatment of insulin-dependent, insulin-using, gestational and non-insulin-dependent diabetes: blood glucose monitors; blood glucose monitoring strips for home use; voice-synthesizers for blood glucose monitors for use by the legally blind; visual magnifying aids for use by the legally blind; urine glucose strips; ketone strips; lancets; insulin; insulin syringes; prescribed oral diabetes medications that influence blood sugar levels; laboratory tests, including glycosylated hemoglobin, or HbA1c, tests; urinary protein/microalbumin and lipid profiles; insulin pumps and insulin pump supplies; insulin pens, so-called; therapeutic/molded shoes and shoe inserts for people who have severe diabetic foot disease when the need for therapeutic shoes and inserts has been certified by the treating doctor and prescribed by a podiatrist or other qualified doctor and furnished by a podiatrist, orthotist, prosthetist or pedorthist; supplies and equipment approved by the Federal Drug Administration for the purposes for which they have been prescribed and diabetes outpatient self-management training and education, including medical nutrition therapy, when provided by a certified diabetes health care provider.

**Michigan:** [MI ST 500.3406p](#): Requires a program to prevent the onset of clinical diabetes. This program must emphasize best practice guidelines to prevent the onset of clinical diabetes and to treat diabetes, including, but not limited to, diet, lifestyle, physical exercise and fitness, and early diagnosis and treatment. An insurer that delivers, issues for delivery, or renews in this state a health insurance policy shall include coverage for the following equipment, supplies, and educational training for the treatment of diabetes, if determined to be medically necessary and prescribed by an allopathic or osteopathic physician:

- (a) Blood glucose monitors and blood glucose monitors for the legally blind.
- (b) Test strips for glucose monitors, visual reading and urine testing strips, lancets, and spring-powered lancet devices.
- (c) Syringes.
- (d) Insulin pumps and medical supplies required for the use of an insulin pump.
- (e) Diabetes self-management training to ensure that persons with diabetes are trained as to the proper self-management and treatment of their diabetic condition.



An insurer that delivers, issues for delivery, or renews in this state a health insurance policy that provides outpatient pharmaceutical coverage directly or by rider shall include the following coverage for the treatment of diabetes, if determined to be medically necessary:

(a) Insulin, if prescribed by an allopathic or osteopathic physician.

(b) Nonexperimental medication for controlling blood sugar, if prescribed by an allopathic or osteopathic physician.

(c) Medications used in the treatment of foot ailments, infections, and other medical conditions of the foot, ankle, or nails associated with diabetes, if prescribed by an allopathic, osteopathic, or podiatric physician.

Coverage under this section is not subject to dollar limits, deductibles, or copayment provisions that are greater than those for physical illness generally.

**Minnesota:** [MN ST §62A.3093](#): Requires coverage for: (1) all physician prescribed medically appropriate and necessary equipment and supplies used in the management and treatment of diabetes; and (2) diabetes outpatient self-management training and education, including medical nutrition therapy, that is provided by a certified, registered, or licensed health care professional. Coverage must include persons with gestational, type I or type II diabetes. Coverage is subject to the same deductible or coinsurance provisions applicable to the plan's hospital, medical expense, medical equipment, or prescription drug benefits.

**Mississippi:** [Miss. Code Ann. MS ST § 83-9-46](#): Requires coverage for diabetes treatments, including, but not limited to, equipment, supplies used in connection with the monitoring of blood glucose and insulin administration and self-management training/education and medical nutrition therapy in an outpatient, inpatient or home health setting. An amount of coverage not to exceed Two Hundred Fifty Dollars (\$ 250.00) shall be offered annually for self-management training/education and medical nutrition therapy under this section. The coverage shall be offered on an optional basis, and each primary insured must accept or reject such coverage in writing and accept responsibility for premium payment. Coverage shall include treatment of all forms of diabetes, including, but not limited to, Type I, Type II, Gestational and all secondary forms of diabetes regardless of mode of treatment if such treatment is prescribed by a health care professional. The benefits provided in this section shall be subject to the same annual deductibles or coinsurance established for all other covered benefits within a given policy.

**Missouri:** [MO ST 376.385](#): Requires coverage for all physician-prescribed medically appropriate and necessary equipment, supplies and self-management training used in the management and treatment of diabetes. Coverage shall include persons with gestational, type I or type II diabetes. Health care services required by this section shall not be subject to any greater deductible or co-payment than any other health care service provided by the policy, contract or plan.



**Montana:** [MT ST 33-22-129](#): Requires coverage for outpatient self-management training and education for the treatment of diabetes. Any education must be provided by a licensed health care professional with expertise in diabetes. Includes a \$250 benefit for a person each year for medically necessary and prescribed outpatient self-management training and education for the treatment of diabetes. Also requires coverage for diabetic equipment and supplies that is limited to insulin, syringes, injection aids, devices for self-monitoring of glucose levels test strips, visual reading and urine test strips, one insulin pump for each warranty period, accessories to insulin pumps, one prescriptive oral agent for controlling blood sugar levels for each class of drug approved by the U.S. FDA, and glucagon emergency kits. Annual copayment and deductible provisions are subject to the same terms and conditions applicable to all other covered benefits within a given policy.

**Nebraska:** [NE ST § 44-790](#): Requires coverage for the equipment, supplies, medication including blood glucose monitors; test strips for glucose monitors; urine testing strips; insulin; injection aids; lancet and lancet devices; syringes; insulin pumps and all supplies for the pump; insulin infusion devices; oral agents for controlling blood sugars; glucose agents and glucagon kits; insulin measurement and administration aids for the visually impaired; patient management materials that provide essential diabetes self-management information; and podiatric appliances for the prevention of complications associated with diabetes. Also coverage for outpatient self-management training and patient management, including medical nutrition therapy, for the treatment of insulin-dependent diabetes, insulin-using diabetes, gestational diabetes, and non-insulin-using diabetes if prescribed by a health care professional legally authorized by law to prescribe such items.

**Nevada:** [NV ST 689A.0427](#) and [NV ST 689B.0357](#): No policy of health insurance that provides coverage for hospital, medical or surgical expenses may be delivered or issued for delivery in this state unless the policy includes coverage for the management and treatment of diabetes, including, without limitation, coverage for the self-management of diabetes. An insurer who delivers or issues for delivery a policy specified in above (a) Shall include in any disclosure of the coverage provided by the policy notice to each policyholder and subscriber under the policy of the availability of the benefits required by this section; (b) Shall provide the coverage required by this section subject to the same deductible, copayment, coinsurance and other such conditions for coverage that are required under the policy. Coverage for the management and treatment of diabetes” includes coverage for medication, equipment, supplies and appliances that are medically necessary for the treatment of diabetes. Coverage for the self-management of diabetes includes: The training and education provided to an insured person after the insured person is initially diagnosed with diabetes or as a result of a subsequent diagnosis which is medically necessary for the care and management



of diabetes, including, without limitation, counseling in nutrition and the proper use of equipment and supplies for the treatment of diabetes.

**New Hampshire:** [NH ST §415:6-e](#): Requires coverage for medically appropriate and necessary outpatient self-management training and educational services, pursuant to a written order of a primary care physician or practitioner, including but not limited to medical nutrition therapy for the treatment of diabetes. Policies shall cover medically appropriate or necessary insulin, oral agents, and equipment used to treat diabetes subject to the terms and conditions of the policy. Each insurer that provides coverage for prescription insulin drugs shall cap the total amount that a covered person is required to pay for each covered insulin drug prescription at an amount not to exceed \$30 for each 30-day supply of each insulin prescription. The maximum \$30 copayment for each 30-day supply of each covered insulin drug prescription shall apply when an original prescription is dispensed as well as when refills of the prescription are dispensed, including early refills. Coverage for prescription insulin drugs shall not be subject to any deductible. Coverage for medically appropriate or necessary equipment used to treat diabetes is provided.

**New Jersey:** [NJ ST 17:48-6n](#): Provide benefits covered person for expenses incurred for the following equipment and supplies for the treatment of diabetes, if recommended or prescribed by a physician or nurse practitioner/clinical nurse specialist: blood glucose monitors and blood glucose monitors for the legally blind; test strips for glucose monitors and visual reading and urine testing strips; insulin; injection aids; cartridges for the legally blind; syringes; insulin pumps and appurtenances thereto; insulin infusion devices; and oral agents for controlling blood sugar. Benefits for expenses incurred for diabetes self-management education to ensure that a person with diabetes is educated as to the proper self-management and treatment of their diabetic condition are provided. Benefits provided for self-management education and education relating to diet shall be limited to visits medically necessary upon the diagnosis of diabetes.

**New Mexico:** [NM ST §59A-22-41](#): Requires coverage for individuals with insulin-using diabetes, non-insulin-using diabetes, and with elevated blood glucose levels induced by pregnancy. Coverage may be subject to deductibles and coinsurance consistent with those imposed on other benefits under the same policy as long as the annual deductible or coinsurance benefits are no greater than those of the similar benefit. When prescribed by a health care practitioner, individuals are entitled to the following equipment, supplies, and appliances to treat diabetes: blood glucose monitors; test strips for blood glucose monitors; visual reading urine and ketone strips; lancets and lancet devices; insulin; injection aids, including those adaptable to meet the needs of the legally blind; syringes; prescriptive oral agents for controlling blood sugar levels; medically necessary podiatric appliances including therapeutic molded or depth-inlay shoes, functional orthotics, custom molded inserts, replacement inserts, preventive devices and shoe modifications for prevention and treatment; and glucagon emergency kits. When prescribed by





a health care practitioner, individuals are also entitled to diabetes self-management training (given by a registered professional and medically necessary) and nutrition therapy related to diabetes management.

**New York:** [NY INS §3216](#): Requires coverage for the following equipment and supplies for the treatment of diabetes, if recommended or prescribed by a physician: blood glucose monitors, data management systems, test strips for glucose monitors and visual reading and urine testing strips, insulin, injection aids, cartridges for the visually impaired, syringes, insulin pumps and appurtenances thereto, insulin infusion devices, and oral agents for controlling blood sugar. Coverage is also required on supplies that is medically necessary for the treatment of diabetes. Such policies shall also include coverage for diabetes self-management education including information on proper diets. Coverage for self-management education and education relating to diet shall also include home visits when medically necessary. Such coverage may be subject to annual deductibles and coinsurance as may be deemed appropriate by the superintendent and as are consistent with those established for other benefits within a given policy.

**North Carolina:** [NC ST § 58-51-61](#): Requires coverage for medically appropriate and necessary services, including diabetes outpatient self-management training and educational services, and equipment, supplies, medications, and laboratory procedures used to treat diabetes. Diabetes outpatient self-management training and educational services shall be provided by a physician or a health care professional designated by the physician. The insurer shall determine who shall provide and be reimbursed for the diabetes outpatient self-management training and educational services. The same deductibles, coinsurance, and other limitations as apply to similar services covered under the policy, contract, or plan shall apply to the diabetes coverage required under this section.

**Oklahoma:** [OK ST T. 36 §6060.2](#): Requires coverage for the following equipment, supplies and related services for the treatment of Type I, Type II, and gestational diabetes, when medically necessary and recommended or prescribed by a physician or other licensed health care provider: blood glucose monitors, test strips for glucose monitors, visual reading and urine testing strips, insulin, injection aids, cartridges for the legally blind, syringes, insulin pumps and appurtenances thereto, insulin infusion devices, oral agents for controlling blood sugar, and podiatric appliances for prevention of complications associated with diabetes. The State Board of Health shall develop and annually update by rule, a list of additional diabetes equipment, related supplies and health care provider services that are medically necessary for the treatment of diabetes, for which coverage shall also be included. All policies specified in this section shall also include coverage for: podiatric health care provider services as are deemed medically necessary to prevent complications from diabetes, and diabetes self-management training.



**Oregon:** [OR Rule 410-122-0520](#): Requires coverage for the equipment and supplies for diabetes management. Certain requirements need to be met and number of units provided are based patient needs. A full list of requirements can be found by clicking the link above.

**Pennsylvania:** [40 P.S. §764e](#): Requires coverage of the equipment, supplies and outpatient self-management training and education, including medical nutrition therapy for the treatment of insulin-dependent diabetes, insulin-using diabetes, gestational diabetes, and noninsulin-using diabetes if prescribed by a health care professional. This section does not include the following policies: accident only, fixed indemnity, limited benefit, credit, dental, vision, specified disease, Medicare supplement, CHAMPUS (Civilian Health and Medical Program for the Uniform Services) supplement, long-term care, disability income, workers' compensation, or automobile medical payment. Equipment and supplies shall include the following: blood glucose monitors, monitor supplies, insulin, injection aids, syringes, insulin infusion devices, pharmacological agents for controlling blood sugar and orthotics. Diabetes outpatient self-management training and education (including information on proper diets) shall be provided under the supervision of a licensed health care professional with expertise in diabetes. The coverage required under this section shall be subject to the annual deductibles, copayments or coinsurance requirements imposed by an entity subject to this section for similar coverages under the same health insurance policy or contract.

**Rhode Island:** [RI ST §27-18-38](#): Requires coverage for the following equipment and supplies for the treatment of insulin treated diabetes, non-insulin treated diabetes, and gestational diabetes, if medically appropriate and prescribed by a physician: blood glucose monitors and blood glucose monitors for the legally blind, test strips for glucose monitors and/or visual reading, insulin, injection aids, cartridges for the legally blind, syringes, insulin pumps and appurtenances to the pumps, insulin infusion devices, and oral agents for controlling blood sugar and therapeutic/molded shoes for the prevention of amputation. Upon the approval of new or improved diabetes equipment and supplies by FDA, policies shall guarantee coverage of new diabetes equipment and supplies. These policies shall also include coverage for diabetes self-management education including information on the nutritional management of diabetes. Benefit plans offered by an insurer may impose co-payment and/or deductibles; however, in no instance shall the co-payment or deductible amount be greater than the co-payment or deductible amount imposed for other supplies, equipment or physician office visits.

**South Carolina:** [SC ST § 38-71-46](#): Requires coverage for the equipment, supplies, FDA-approved medication indicated for the treatment of diabetes, and outpatient self-management training and education for the treatment of people with diabetes mellitus, if medically necessary, and prescribed by a health care professional who is legally authorized to prescribe such items and who demonstrates adherence to minimum standards of care for diabetes mellitus as





adopted and published by the Diabetes Initiative of South Carolina. This subsection does not prohibit a health maintenance organization or an individual or a group health insurance policy from providing coverage for medication according to formulary or using network providers. Coverage must not be denied unless the health care professional demonstrates a persistent pattern of failure to adhere to the minimal standards of care and unless the health maintenance organization or insurer has first provided written notice to the health care professional that coverage will be denied if the health care professional fails to adhere to the minimal standards of care.

**South Dakota:** [SD ST §58-17-1.2](#): Requires coverage for equipment, supplies, and self-management training and education, including medical nutrition therapy, for treatment of persons diagnosed with diabetes if prescribed by a physician or other licensed health care provider legally authorized to prescribe such treatment. Medical nutrition therapy does not include any food items or nonprescription drugs. Coverage for medically necessary equipment and supplies shall include blood glucose monitors, test strips for glucose monitors, urine testing strips, insulin, injection aids, lancets, lancet devices, syringes, insulin pumps and all supplies for the pump, insulin infusion devices, prescribed oral agents for controlling blood sugars, glucose agents, glucagon kits, insulin measurement and administration aids for the visually impaired, and other medical devices for treatment of diabetes.

**Tennessee:** [TN ST § 56-7-2605](#): Requires coverage for equipment, supplies, and outpatient self-management training and education, including medical nutrition counseling, when prescribed by a physician as medically necessary for the treatment of diabetes. The following equipment and supplies for the treatment of diabetes must be included in the coverage provided pursuant to subsection (b), when prescribed by a physician as medically necessary for the care of an individual patient with diabetes: Blood glucose monitors, test strips for blood glucose monitors, visual reading and urine test strips, insulin, injection aids, syringes, lancets, insulin pumps, infusion devices, and appurtenances thereto, oral hypoglycemic agents, podiatric appliances for prevention of complications associated with diabetes, and glucagon emergency kits. Test strips for blood glucose monitors are limited, in each calendar year, to 12 bottles of 50 test strips per bottle, unless the insurer approves a larger quantity. To ensure that patients with diabetes are educated as to the proper self-management and treatment of their diabetes, diabetes outpatient self-management training and educational services, including medical nutrition counseling, must be included in the coverage. The benefits required may be subject to the annual deductible and co-insurance established for all other similar benefits

**Texas:** [TX INS §1358.054-56](#): A health benefit plan that provides coverage for the treatment of diabetes and conditions associated with diabetes must provide to each qualified enrollee coverage for: diabetes equipment, diabetes supplies, and diabetes self-management training. A health benefit plan may require a deductible,



copayment, or coinsurance. The amount of the deductible, copayment, or coinsurance may not exceed the amount of the deductible, copayment, or coinsurance required for treatment of other analogous chronic medical conditions. Diabetes self-management training must be provided by a health care practitioner or provider. A health benefit plan must provide coverage for new or improved diabetes equipment or supplies, including improved insulin or another prescription drug, approved by the FDA if the equipment or supplies are determined to be medically necessary and appropriate.

**Utah:** [UT ST §31A-22-626](#): Requires coverage for diabetes self-management training and patient management, including medical nutrition therapy as defined by rule, provided by an accredited or certified program and referred by an attending physician within the plan and consistent with the health plan provisions for self-management education. Coverage is also required for the following equipment, supplies, and appliances to treat diabetes when medically necessary: blood glucose monitors; test strips for blood glucose monitors; visual reading urine and ketone strips; lancets and lancet devices; insulin; injection aides, including those adaptable to meet the needs of the legally blind, and infusion delivery systems; syringes; prescriptive oral agents for controlling blood glucose levels; and glucagon kits. If a health benefit plan entered or renewed on or after January 1, 2021, provides coverage for insulin for diabetes, the health benefit plan shall cap the total amount that an insured is required to pay for at least one insulin in each therapy category at an amount not to exceed \$30 per prescription of a 30-day supply of insulin for the treatment of diabetes, and apply the cap to an insured regardless of whether the insured has met the plan's deductible.

**Vermont:** [VT ST T. 8 §4089c](#): A health insurer shall provide coverage for the equipment, supplies, and outpatient self-management training and education, including medical nutrition therapy, for the treatment of insulin dependent diabetes, insulin using diabetes, gestational diabetes, and noninsulin using diabetes if prescribed by a health care professional legally authorized to prescribe such items under law. A health insurer may require that such prescriptions be made, and care be given, by a health care professional under contract with the insurer. Diabetes outpatient self-management training and education required to be covered by this section shall be provided by a certified, registered, or licensed health care professional with specialized training in the education and management of diabetes. Benefits required to be covered by this section shall be subject to the same dollar limits, deductibles, and coinsurance factors within the provisions of the health insurance policy.

**Virginia:** [VA ST §38.2-3418.10](#): Coverage shall include benefits for equipment, supplies and in-person outpatient self-management training and education, including medical nutrition therapy, for the treatment of insulin-dependent diabetes, insulin-using diabetes, gestational diabetes and noninsulin-using diabetes if prescribed by a health care professional legally authorized to prescribe



such items under law. As used herein, the terms "equipment" and "supplies" shall not be considered durable medical equipment. To qualify for coverage under this section, diabetes in-person outpatient self-management training and education shall be provided by a certified, registered, or licensed health care professional.

**Washington:** [WA ST 48.44.315](#): Requires benefits for at least the following services and supplies for persons with diabetes: (a) For health benefit plans that include coverage for pharmacy services, appropriate and medically necessary equipment and supplies, as prescribed by a health care provider, that includes but is not limited to insulin, syringes, injection aids, blood glucose monitors, test strips for blood glucose monitors, visual reading and urine test strips, insulin pumps and accessories to the pumps, insulin infusion devices, prescriptive oral agents for controlling blood sugar levels, foot care appliances for prevention of complications associated with diabetes, and glucagon emergency kits; and (b) For all health benefit plans, outpatient self-management training and education, including medical nutrition therapy, as ordered by the health care provider. Diabetes outpatient self-management training and education may be provided only by health care providers with expertise in diabetes. Nothing in this section prevents the health care services contractor from restricting patients to seeing only health care providers who have signed participating provider agreements with the health care services contractor or an insuring entity under contract with the health care services contractor.

**West Virginia:** [WV ST § 33-15C-1](#): Any policy which provides major medical or similar comprehensive-type medical coverage shall include coverage for the following equipment and supplies for the treatment and/or management of diabetes for both insulin dependent and noninsulin dependent persons with diabetes and those with gestational diabetes, if medically necessary and prescribed by a licensed physician: Blood glucose monitors, monitor supplies, insulin, injection aids, syringes, insulin infusion devices, pharmacological agents for controlling blood sugar, orthotics and any additional items as promulgated by rule, by the insurance commissioner, with the advice of the commissioner of the bureau of public health. Includes coverage for diabetes self-management education to ensure that persons with diabetes are educated as to the proper self-management and treatment of their diabetes, including information on proper diets.

**Wisconsin:** [WI ST 40.52](#): Requires coverage for expenses incurred by the installation and use of an insulin infusion pump, coverage for all other equipment and supplies used in the treatment of diabetes, including any prescription medication used to treat diabetes, and coverage of diabetic self-management education programs. Coverage required under this paragraph shall be subject to the same exclusions, limitations, deductibles, and coinsurance provisions of the plan as other covered expenses, except that insulin infusion pump coverage may be limited to the purchase of one pump per year and the plan may require the covered person to use a pump for 30 days before purchase.



**Wyoming:** [WY ST §26-20-201](#): Requires coverage for the equipment, supplies and outpatient self-management training and education, including medical nutrition therapy for the treatment of insulin-dependent diabetes, insulin-using diabetes, gestational diabetes and noninsulin using diabetes if prescribed by a health care professional legally authorized to prescribe such items under law. Covered diabetes outpatient self-management training and education shall be provided by a certified, registered, or licensed health care professional with expertise in diabetes. For purposes of this section, required covered outpatient self-management training and education shall be limited to: (i) A one-time evaluation and training program when medically necessary, within one (1) year of diagnosis; (ii) Additional medically necessary self-management training shall be provided upon a significant change in symptoms, condition or treatment. This additional training shall be limited to three (3) hours per year. The benefits provided under this section shall be subject to the same annual deductibles or coinsurance established for all other covered benefits within a given policy.



## **Appendix A: Carrier Survey Responses<sup>34</sup>**

For all of the insulin related questions below, please exclude any impact from insulin pump, electronic insulin-administering smart pen, or a continuous glucose monitor, or supplies needed specifically for the use of such electronic devices.

1. Please provide the average member cost sharing in 2020 PMPM for:

	Insulin Drugs <sup>35</sup>	Medical supplies for insulin dosing and administration <sup>36</sup>
Carrier #1	\$1.01 PMPM	\$0.22 PMPM
Carrier #2	\$0.64	\$0.63
Carrier #3	\$1.05 member and \$6.77 plan	\$0.11 member and \$0.25 plan

2. Please provide the lost member cost sharing PMPM that would result from limiting the member cost sharing to \$25 for a 30-day supply of all:

	Insulin Drugs	Medical supplies for insulin dosing and administration
Carrier #1	\$0.34 member and \$7.51 plan	\$0.06 member and \$0.30 plan
Carrier #2	\$0.38 PMPM for Fully-Insured	\$0.05 PMPM for Fully-Insured
Carrier #3	\$0.16	\$0.18

<sup>34</sup> To preserve confidentiality, the numbering for the carriers is inconsistent throughout the Appendix. For example, the carrier labelled #1 in question #1 will not necessarily be labelled carrier #1 in question #2.

<sup>35</sup> Includes: (1) Rapid-acting insulin; (2) Short-acting insulin; (3) Intermediate-acting insulin; (4) Long-acting insulin; (5) Premixed insulin product; (6) Premixed insulin/GLP-1 RA product; and (7) Concentrated human regular insulin.

<sup>36</sup> Includes: (1) Blood glucose meters; (2) Blood glucose test strips; (3) Lancing devices and lancets; (4) Ketone testing supplies, such as urine strips, blood ketone meters, and blood ketone strips; (5) Glucagon, injectable or nasal forms; (6) Insulin pen needles; and (7) Insulin syringes.



3. Please provide a PMPM estimate for the reduction in drug rebates by restricting the use of a formulary for insulin coverage for:

	Insulin Drugs	Medical supplies for insulin dosing and administration
Carrier #1	Rebates are dependent on market shares and competitive negotiations with manufacturers. Impacts on rebates would require an evaluation of those specifics in the context of the proposed changes.	
Carrier #2	\$4.00-\$5.00 PMPM	\$0.50-\$1.00 PMPM
Carrier #3	\$3.23	no rebates available here