

SB 17-FN - AS AMENDED BY THE SENATE

03/06/2025 0531s

2025 SESSION

25-0269

05/08

SENATE BILL

17-FN

AN ACT relative to insurance cost-sharing calculations.

SPONSORS: Sen. Innis, Dist 7

COMMITTEE: Health and Human Services

AMENDED ANALYSIS

This bill requires an insurer to apply an amount paid by a third party, including an independent charity, to the enrollee's cost sharing requirements, except in the case of a covered prescription drug for which there is a generic alternative or interchangeable biological product.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~in brackets and struckthrough~~.
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Five

AN ACT relative to insurance cost-sharing calculations.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Section; Accident and Health Insurance; Applying Patient Assistance for Prescription
2 Drugs to Cost Sharing. Amend RSA 415:18 by inserting after section 415:18-ee the following new
3 section:

4 415:18-ff Applying Patient Assistance for Prescription Drugs to Cost Sharing.

5 I. In this section:

6 (a) "Cost-sharing" means any coinsurance, copayment, deductible or out-of-pocket
7 maximum.

8 (b) "Interchangeable biological product" means a biological product that the federal Food
9 and Drug Administration:

10 (1) Has licensed and determined meets the standards for interchangeability
11 pursuant to 42 U.S.C. section 262(k)(4); or

12 (2) Has determined is therapeutically equivalent as set forth in the latest edition of
13 or supplement to the federal Food and Drug Administration's Approved Drug Products with
14 Therapeutic Equivalence Evaluations.

15 II. Each insurer that issues or renews any policy of individual or group accident or health
16 insurance which provides coverage for prescription drugs, or which contracts with an entity
17 providing such prescription drug coverage, including but not limited to pharmacy benefit manager
18 companies, shall apply any amounts paid at the time of a claim on behalf of an enrollee by a third
19 party, including but not limited to an independent charity, to the enrollee's cost sharing
20 requirements, except in the case of a covered prescription drug for which there is a generic
21 alternative or interchangeable biological product.

22 III. If the assistance payment is not processed in coordination with the enrollee's health
23 insurance coverage at the point of sale, then an insurer or its contracted entity providing
24 prescription drug coverage may require a pharmacy processing an assistance payment from an
25 independent charity patient assistance program on behalf of an enrollee to disclose to the enrollee's
26 insurer:

27 (a) The name of the enrollee on whose behalf a payment was made;

28 (b) The name of the covered prescription drug for which the payment was made;

29 (c) The amount of the payment that was provided; and

30 (d) Any other terms and conditions that are attached to the assistance program under
31 which payment was made.

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1 IV. For a health care contract that meets the definition of a "high deductible plan" set forth
2 in 26 U.S.C. section 223(c)(2) or a catastrophic health plan, as defined under the Patient Protection
3 and Affordable Care Act of 2009, a carrier shall be exempt from the provisions of this section until
4 the enrollee has satisfied the minimum deductible under Section 223 of the Federal Internal
5 Revenue Code.

6 2 Effective Date. This act shall take effect on January 1, 2026.

SB 17-FN- FISCAL NOTE
AS AMENDED BY THE SENATE (AMENDMENT #2025-0531s)

AN ACT relative to insurance cost-sharing calculations.

FISCAL IMPACT: This bill does not provide funding, nor does it authorize new positions.

Estimated State Impact				
	FY 2025	FY 2026	FY 2027	FY 2028
Revenue	\$0	Indeterminable	Indeterminable	Indeterminable
<i>Revenue Fund(s)</i>	General Fund - Insurance Premium Tax			
Expenditures*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			
Appropriations*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

***Expenditure = Cost of bill**

***Appropriation = Authorized funding to cover cost of bill**

Estimated Political Subdivision Impact				
	FY 2025	FY 2026	FY 2027	FY 2028
County Revenue	\$0	\$0	\$0	\$0
County Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable
Local Revenue	\$0	\$0	\$0	\$0
Local Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable

METHODOLOGY:

This Insurance Department states this bill would amend NH RSA 415, by adding a new provision requiring insurers offering individual or group commercial health insurance to: “apply any amounts paid at the time of a claim on behalf of an enrollee by a third party, including but not limited to an independent charity, to the enrollee’s cost sharing requirements, except in the case of a covered prescription drug for which there is a generic alternative or interchangeable biological product.” The Department indicates the primary target for this legislative is prescription drug copay coupons. The bill aims to reduce the consumer’s cost sharing burden under their insurance plan and make certain high-cost prescription drugs are more affordable. The Department notes the bill may encourage an increase in the prevalence of prescription drug manufacturer coupons, which have the potential to protect brand exclusivity and inhibit generic/biosimilar efficiency. This may result in constrained availability of lower cost

alternatives. Medicare, Medicaid, and other government programs currently prohibit the use of copay coupons. Proposed RSA 415:18-ff, IV would exempt high-deductible health plans.

The Department indicates that insurers employ precise actuarial methods to estimate premium costs, based on the previous year claims. These estimates are used to design plans to achieve a balance of premium and cost sharing attributes to meet a myriad of market characteristics and afford consumers ample choice for health plans. If extraneous revenue sources are applied to assist enrollees in meeting their cost-sharing responsibilities, and/or these costs are met with non-real dollars, this would disrupt the economics of cost-estimation among health insurers, and increase costs to health plans. Commercial health insurers are, by law, bound to the Medical Loss Ratio, which requires plans to remunerate about 85% of premium collected (smoothed over the previous three years) to claims payments, the absolute cost impact will be directly reflected in future years' premiums. However, the extent of this cost is indeterminable at this time.

Any impact on health insurance premiums may impact county and local expenditures for health insurance by an indeterminable amount.

The Department of Administrative Services states this bill would have no impact on state expenditures.

AGENCIES CONTACTED:

Insurance Department and Department of Administrative Services