

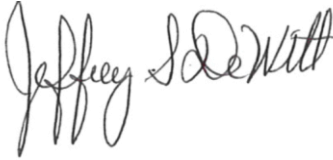
Government of the District of Columbia
Office of the Chief Financial Officer



Jeffrey S. DeWitt
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Jeffrey S. DeWitt
Chief Financial Officer 

DATE: November 24, 2020

SUBJECT: Fiscal Impact Statement – Insulin and Diabetes Device Affordability
Amendment Act of 2020

REFERENCE: Bill 23-920, Draft Committee Print as provided to the Office of Revenue
Analysis on November 11, 2020

Conclusion

Funds are sufficient in the fiscal year 2021 through fiscal year 2024 budget and financial plan to implement the bill.

Background

The bill adds¹ diabetes devices, diabetic ketoacidosis devices, and prescription insulin drugs to a list of products for which all health insurance plans sold in the District must provide coverage. The requirement further stipulates that insureds may not be charged co-pays or co-insurance of more than \$30 per 30-day supply of prescription insulin or more than \$100 per 30-day supply of diabetes or diabetic ketoacidosis devices, nor may these products be applied to the insureds' deductible. The bill's requirements apply to all coverage beginning on January 1, 2022 and the payment limits may increase annually by the inflation rate.

Financial Plan Impact

Funds are sufficient in the fiscal year 2021 through fiscal year 2024 budget and financial plan to implement the bill. The Department of Insurance, Securities and Banking regulates insurance services in the District and does not need additional resources to implement the bill.

¹ By amending The Specialty Drug Copayment Limitation Act, effective April 7, 2017 (D.C. Law 21-248; D.C. Official Code § 48-855.01 *et seq.*).

The Honorable Phil Mendelson

FIS: Bill 23-920, "Insulin and Diabetes Device Affordability Act of 2020," Draft Committee Print as provided to the Office of Revenue Analysis on November 11, 2020

The bill will also apply to District government employee health plans. The District pays a portion of employee's health insurance premium costs, but the Department of Human Resources does not anticipate that the bill's requirements will materially increase premiums given the many factors that affect premium costs.