

HB 223 Diabetes Supplies Amendments
(Rep Dailey-Provost)
Anticipated Fiscal Impact for the State Health Insurance Plan: \$76,332 per year

Summary

The State Health Plan covers a broad range of products and services to treat diabetes and other conditions. Covered items are placed into cost tiers that require members to pay more for more expensive items. PEHP covers CGMs and insulin pumps and contracts for preferred products. This contracting makes CGMs and insulin pumps available to State Plan members and lowers the required out of pocket cost.

Adding a cost cap and waiving deductible will increase the cost of these products paid by the State Health Plan. The following table describe current utilization and the cost of imposing a \$100 cost-sharing cap:

Insulin Pump

Average Members per Year (A)	Current Average Member Cost (B)	Proposed Cost-Sharing Cap (C)	Cost to Institute Cap ((B-C)*A)
55	\$1,390	\$100	\$70,950

CGM

The CGM analysis is complicated by the presence of high and low cost covered CGMs. On average, 171 members are using a low cost CGM. The CGM cost for these members is less than the cap and is therefore not included below.

On average, 23 members use a high cost CGM. The cost related to these CGMs includes:

Average Members per Year (A)	Average Current Member Cost (B)	Proposed Cost-Sharing Cap (C)	Cost to Institute Cap ((B-C)*A)
23	\$274	\$40	\$5,382

The combined total of \$76,332 excludes monthly supplies or potential changes in utilization, consistent with the current language of the bill.