To: Insurers Offering a Health Benefit Plan
From: Jonathan T. Pike, Utah Insurance Commissioner
Date: May 26, 2021
Subject: Calendar Year 2022 Insulin Prescription Caps

The Utah Insurance Department issues this Bulletin to provide to health insurers offering a health benefit plan the annual inflationary adjustment to the caps for the average wholesale price of insulin sold in Utah, pursuant to Section 31A-22-626, Coverage of Diabetes, and Rule R590-200, Diabetes Treatment and Management.

Per Subsection 31A-22-626(9), for contracts issued or renewed during calendar year 2022, the insulin prescription cap for a 30-day prescription supply of at least one insulin in each therapy category is set at $28.00 for Subsection 31A-22-626(4)(a) and $94.00 for Subsection 31A-22-626(6)(b).

The calculation of the insulin caps is based on data provided by the Public Employees Health Plan (PEHP). PEHP calculated the Average Wholesale Price per Milliliter (AWP/mL) of insulin for calendar years 2019 and 2020. PEHP included all modes of insulin and all therapy categories in the calculation of the average AWP/mL.

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Avg AWP/mL</th>
<th>% change in AWP/mL</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$40.18</td>
<td>n/a</td>
</tr>
<tr>
<td>2020</td>
<td>$37.85</td>
<td>-5.8%</td>
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For 2022 plans, the $30 and $100 caps in place for 2021 are adjusted as follows:

\[
2022 \text{ cap} = 2021 \text{ cap} \times \frac{[2020 \text{ Avg AWP/mL}]}{[2019 \text{ Avg AWP/mL}]}
\]

or

\[
2022 \text{ low cap} = 30 \times \frac{37.85}{40.18} = 28.33, \text{ rounded to the nearest dollar} = 28
\]
\[
2022 \text{ high cap} = 100 \times \frac{37.85}{40.18} = 94.20, \text{ rounded to the nearest dollar} = 94
\]
The annual price of insulin provided through the Utah Insulin Savings Program is available at: https://www.utahinsulin.net/pdf/UtahInsulinSavingsProgramflyer.pdf.

An insurer with questions related to the Bulletin is advised to contact the Health and Life Division at health.uid@utah.gov.

DATED this day 26th of May 2021.

[Signature]
Jonathan T. Pike
Insurance Commissioner