



State of Utah

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Insurance Department

JONATHAN T. PIKE
Insurance Commissioner

BULLETIN 2022-1

To: Insurers Offering a Health Benefit Plan
From: Jonathan T. Pike, Utah Insurance Commissioner
Date: January 26, 2022
Subject: **Calendar Year 2023 Insulin Prescription Caps**

The Utah Insurance Department issues this Bulletin pursuant to Utah Code Section 31A-22-626, Coverage of Diabetes, and Utah Admin. Code R590-200, Diabetes Treatment and Management. This Bulletin notifies health insurers offering a health benefit plan of the annual inflation adjustment cap to the average wholesale price for insulin.

Contracts issued or renewed during calendar year 2023 with a 30-day prescription supply must offer at least one insulin in each therapy category. The 30-day prescription supply caps are set at \$27.00 for Subsection 31A-22-626(4)(a) and \$90.00 for Subsection 31A-22-626(6)(b).

The calculation of the insulin cap 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 through 2021. PEHP included all modes of insulin and all therapy categories in the calculation of the average AWP/mL.

Calendar Year	Avg AWP/mL	% change in AWP/mL
2019	\$40.18	n/a
2020	\$37.85	-5.8%
2021	\$36.31	-4.1%

For 2023 plans, the \$30 and \$100 caps in place for 2021 are adjusted as follows:

$$2023 \text{ cap} = (2021 \text{ Avg AWP/mL} / 2019 \text{ Avg AWP/mL}) * \text{Base Cap}$$

or

$$2023 \text{ low cap} = (36.31 / 40.18) * \$30 = \$27.11, \text{ rounded to the nearest dollar} = \$27$$

$$2023 \text{ high cap} = (36.31 / 40.18) * \$100 = \$90.37, \text{ rounded to the nearest dollar} = \$90$$

The annual price of insulin provided through the Utah Insulin Savings Program, pursuant to Subsection 31A-22-626(6)(a), is available at

<https://www.utahinsulin.net/pdf/UtahInsulinSavingsProgramflyer.pdf>.

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

DATED this 26th day of January 2022.

A handwritten signature in blue ink that reads "Jonathan T. Pike". The signature is written in a cursive style with a large initial "J" and a distinct "P".

Jonathan T. Pike
Insurance Commissioner