

Insurance Department

JONATHAN T. PIKE *Insurance Commissioner*

BULLETIN 2024-5

To: Insurers Offering a Health Benefit Plan

From: Jonathan T. Pike, Utah Insurance Commissioner

Date: April 24, 2024

Subject: Calendar Year 2025 Insulin Prescription Caps

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

A policy issued or renewed during the 2025 calendar year with a 30-day prescription supply must offer at least one insulin in each therapy category. A 30-day prescription supply cap is set at \$25.00 for § 31A-22-626(4)(a) and \$90.00 for § 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 2022. 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%
2022	\$36.83	1.5%
2023	\$37.64	2.2%

For 2025 plans, the \$30 and \$100 caps in place for 2021 are adjusted as follows:

2025 cap = (2023 Avg AWP/mL / 2019 Avg AWP/mL) * Base Cap

or

2025 low cap = (37.64 / 40.18) * \$30 = \$28.10, rounded down to the nearest multiple of five dollars = \$25

2025 high cap = (37.64 / 40.18) * \$100 = \$93.68, rounded down to the nearest multiple of five dollars = \$90

The annual price of insulin through the Utah Insulin Savings Program, pursuant to § 31A-22-626(6)(a), is available at https://www.utahinsulin.net/.

NOTE: In prior years, the cap has been rounded to the nearest dollar. The rounding method described in <u>R590-200</u> is being updated concurrently with this bulletin to reflect the new method of rounding down to the nearest multiple of five dollars.

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

DATED this 24th day of April 2024.

Jonathan T. Pike

Insurance Commissioner