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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

S.B. 231
133rd General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsor: Sens. Craig and Antonio

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SUMMARY

- Requires the Attorney General to investigate insulin pricing and to prepare and submit a report.

DETAILED ANALYSIS

Investigation of insulin pricing

S.B. 231 requires the Attorney General to investigate the pricing of prescription drugs containing insulin.¹ The investigation's purpose is to ensure adequate consumer protections in the pricing and sale of insulin used to treat diabetes and to determine if additional protections are needed.²

Pricing information

As part of the required investigation, the Attorney General must compile and analyze information from companies engaged in the manufacture or sale of prescription insulin drugs. The information must relate to company business practices, company organization, drug pricing data and reports, and any other information the Attorney General finds relevant. The bill also requires the Attorney General to consider any publicly available data or information concerning drug pricing generally and insulin pricing specifically.³

¹ Section 1.

² Division (A) of Section 1.

³ Division (B)(1) of Section 1.

Investigative demands

The bill authorizes the Attorney General to issue one or more civil investigative demands requiring the following entities to furnish to the Attorney General materials, answers, data, or other relevant information:

- State departments;
- Health plan issuers;
- Pharmacy benefit managers;
- Drug manufacturers;
- Pharmacies.⁴

Confidentiality

The bill provides that any materials, answers, data, or other relevant information furnished to the Attorney General as part of the investigation are confidential and are not considered public records under Ohio law. It also specifies that such information is to be used by the Attorney General only as necessary to meet the bill's requirements.⁵

Report

Not later than 18 months after the bill's effective date, the Attorney General must prepare and submit a report of its findings.⁶ The findings must include all of the following:

- A summary of current insulin pricing practices and variables that contribute to insulin pricing by drug manufacturers, health plan issuers, pharmacy benefit managers, and pharmacies;
- Recommendations for controlling and preventing the overpricing of prescription insulin;
- Recommendations for improving Ohio's consumer protection laws to prevent deceptive sales practices involving the pricing and sale of prescription insulin;
- Any other information the Attorney General finds relevant, except for confidential information.⁷

The bill requires the Attorney General to submit the report to the Governor, Superintendent of Insurance, and the chairpersons and ranking minority members of the Health, Civil Justice, and Criminal Justice committees of the Ohio General Assembly.⁸

⁴ Division (B)(2) of Section 1.

⁵ Division (B)(3) of Section 1.

⁶ Division (C)(1) of Section 1.

⁷ Division (C)(2) of Section 1.

⁸ Division (C)(1) of Section 1.

HISTORY

| Action | Date |
|------------|----------|
| Introduced | 11-04-19 |
