



Wisconsin Office of the
**COMMISSIONER
OF INSURANCE**

Tony Evers, Governor of Wisconsin
Nathan Houdek, Commissioner of Insurance

May 13, 2025

Mr. Cyrus Anderson
Senate Chief Clerk
State Capitol
P.O. Box 7882
Madison, WI 53707

Mr. Ted Blazel
Assembly Chief Clerk
17 West Main Street
Room 401
Madison, WI 53703

Re: Social and Financial Impact Report—2025 Senate Bill 251 & Assembly Bill 246— relating to cost-sharing caps on prescription drugs and medical supplies to treat asthma under health insurance policies and plans.

Dear Chief Clerks Anderson and Blazel:

Pursuant to Wis. Stat. § 601.423, the Office of the Commissioner of Insurance (OCI) is submitting a social and financial impact report on 2025 Senate Bill 251 and Assembly Bill 246, relating to cost-sharing caps on prescription drugs and medical supplies to treat asthma under health insurance policies and plans.

Coverage Mandates

OCI has determined that 2025 Senate Bill 251 and Assembly Bill 246 requires a social and financial impact report for the following reasons:

1. The provision requires a particular benefit design or imposes conditions on cost sharing under an insurance policy, plan, or contract for the treatment of a particular disease, condition, or other health care need, for a particular type of health care treatment or service, or for the provision of equipment, supplies, or drugs used in connection with a health care treatment or service.

Social Impact

The bills require health insurance policies and plans that provide coverage of prescription drugs to cover prescription drugs and related medical supplies for the treatment of asthma. The bills provide that "related medical supplies" include asthma inhalers and other medical supply items necessary to effectively and appropriately administer a prescription drug prescribed to treat asthma. The bills require policies and plans to limit the amount of any enrollee cost-sharing for the coverage provided in the bills to no more than \$25 per one-month supply for each prescription drug prescribed to treat asthma and to no more than \$50 per month for all related medical supplies. Cost-sharing may not increase with the number of conditions for which an enrollee is treated. Further, the coverage provided in the bills may not be subject to any deductible. However, the bills provide that the limitations on cost-sharing and deductibles do not apply to the extent that the limitations would result in ineligibility for a health savings account under the federal Internal Revenue Code.

According to the Wisconsin Department of Health Services (WI DHS) and the Centers for Disease Control and Prevention (CDC), there are approximately 500,000 individuals living in Wisconsin with asthma.

Additionally, according to the WI DHS, when analyzing the average number of asthma hospitalizations per 10,000 people per county, the six highest asthma hospitalization rates by county were:

- Milwaukee (4.8)
- Racine (3.2)
- Rock (3.1)
- Dunn (2.8)
- Marinette (2.8)
- Green Lake (2.7)

OCI is unable to determine how many of the approximately 500,000 individuals with asthma in Wisconsin are being treated with some form of "related medical supplies" as part of the treatment of their asthmatic condition. OCI is also unable to determine how many disability insurance policies and self-funded policies covering state, county, city, village, town, or school districts are offering coverage for asthma with cost-sharing amounts that exceed the proposed limitations. Due to insufficient information noted above, OCI is unable to determine the number of individuals with asthma who could benefit from the new insurance mandate proposed in the bills.

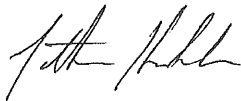
Financial Impact

OCI is unable to determine what the financial impact of the proposed bills would have on insurers.

OCI is unable to determine the extent to which these additional mandates could increase administrative and claims costs or how the proposed requirements on insurers may impact premium costs to consumers and employers.

Please contact Sarah Smith at (608) 209-6309 or Sarah.Smith2@wisconsin.gov if you have any questions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Nathan Houdek', with a stylized flourish at the end.

Nathan Houdek
Commissioner

Cc: The Honorable Tony Evers, Governor of Wisconsin