

By: Buckingham

S.B. No. 523

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the effect of certain reductions in a health benefit
3 plan enrollee's out-of-pocket expenses for prescription drugs on
4 enrollee cost-sharing requirements.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. The heading to Subchapter B, Chapter 1369,
7 Insurance Code, is amended to read as follows:

8 SUBCHAPTER B. REQUIREMENTS AFFECTING COVERAGE OF SPECIFIC
9 PRESCRIPTION DRUGS OR COST SHARING [~~SPECIFIED BY DRUG FORMULARY~~]

10 SECTION 2. Subchapter B, Chapter 1369, Insurance Code, is
11 amended by adding Section 1369.0542 to read as follows:

12 Sec. 1369.0542. EFFECT OF REDUCTIONS IN OUT-OF-POCKET
13 EXPENSES ON COST SHARING. An issuer of a health benefit plan that
14 covers prescription drugs or a pharmacy benefit manager shall apply
15 any third-party payment, financial assistance, discount, product
16 voucher, or other reduction in out-of-pocket expenses made by or on
17 behalf of an enrollee for a prescription drug to the enrollee's
18 deductible, copayment, cost-sharing responsibility, or
19 out-of-pocket maximum applicable to prescription drug benefits
20 under the enrollee's plan.

21 SECTION 3. Section 1369.0542, Insurance Code, as added by
22 this Act, applies only to a health benefit plan that is delivered,
23 issued for delivery, or renewed on or after January 1, 2022. A
24 health benefit plan delivered, issued for delivery, or renewed

1 before January 1, 2022, is governed by the law as it existed
2 immediately before the effective date of this Act, and that law is
3 continued in effect for that purpose.

4 SECTION 4. This Act takes effect September 1, 2021.