

1-1 By: Kolkhorst, et al. S.B. No. 827
 1-2 (In the Senate - Filed February 26, 2021; March 11, 2021,
 1-3 read first time and referred to Committee on Health & Human
 1-4 Services; March 22, 2021, reported adversely, with favorable
 1-5 Committee Substitute by the following vote: Yeas 8, Nays 0;
 1-6 March 22, 2021, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15			X	
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 827 By: Buckingham

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to health benefit plan cost-sharing requirements for
 1-22 prescription insulin.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Chapter 1358, Insurance Code, is amended by
 1-25 adding Subchapter C to read as follows:

1-26 SUBCHAPTER C. COST-SHARING LIMIT

1-27 Sec. 1358.101. APPLICABILITY OF SUBCHAPTER. (a) This
 1-28 subchapter applies only to a health benefit plan that provides
 1-29 benefits for medical or surgical expenses incurred as a result of a
 1-30 health condition, accident, or sickness, including an individual,
 1-31 group, blanket, or franchise insurance policy or insurance
 1-32 agreement, a group hospital service contract, or a small or large
 1-33 employer group contract or similar coverage document that is
 1-34 offered by:

1-35 (1) an insurance company;

1-36 (2) a group hospital service corporation operating
 1-37 under Chapter 842;

1-38 (3) a fraternal benefit society operating under
 1-39 Chapter 885;

1-40 (4) a stipulated premium company operating under
 1-41 Chapter 884;

1-42 (5) a reciprocal exchange operating under Chapter 942;

1-43 (6) a health maintenance organization operating under
 1-44 Chapter 843;

1-45 (7) a multiple employer welfare arrangement that holds
 1-46 a certificate of authority under Chapter 846; or

1-47 (8) an approved nonprofit health corporation that
 1-48 holds a certificate of authority under Chapter 844.

1-49 (b) This subchapter applies to group health coverage made
 1-50 available by a school district in accordance with Section 22.004,
 1-51 Education Code.

1-52 (c) Notwithstanding any provision in Chapter 1551, 1575,
 1-53 1579, or 1601 or any other law, this subchapter applies to:

1-54 (1) a basic coverage plan under Chapter 1551;

1-55 (2) a basic plan under Chapter 1575;

1-56 (3) a primary care coverage plan under Chapter 1579;

1-57 and

1-58 (4) basic coverage under Chapter 1601.

1-59 (d) Notwithstanding any other law, this subchapter applies
 1-60 to coverage under:

2-1 (1) the child health plan program under Chapter 62,
2-2 Health and Safety Code, or the health benefits plan for children
2-3 under Chapter 63, Health and Safety Code; and

2-4 (2) the medical assistance program under Chapter 32,
2-5 Human Resources Code.

2-6 Sec. 1358.102. EXCEPTION. This subchapter does not apply
2-7 to:

2-8 (1) a health benefit plan that provides coverage:

2-9 (A) only for a specified disease or for another
2-10 single benefit;

2-11 (B) only for accidental death or dismemberment;

2-12 (C) for wages or payments in lieu of wages for a
2-13 period during which an employee is absent from work because of
2-14 sickness or injury;

2-15 (D) as a supplement to a liability insurance
2-16 policy;

2-17 (E) for credit insurance;

2-18 (F) only for dental or vision care;

2-19 (G) only for hospital expenses; or

2-20 (H) only for indemnity for hospital confinement;

2-21 (2) a Medicare supplemental policy as defined by
2-22 Section 1882(g)(1), Social Security Act (42 U.S.C. Section 1395ss);

2-23 (3) medical payment insurance coverage provided under
2-24 a motor vehicle insurance policy;

2-25 (4) a long-term care insurance policy, including a
2-26 nursing home fixed indemnity policy, unless the commissioner
2-27 determines that the policy provides benefit coverage so
2-28 comprehensive that the policy is a health benefit plan as described
2-29 by Section 1358.101;

2-30 (5) health and accident coverage provided by a risk
2-31 pool created under Chapter 172, Local Government Code; or

2-32 (6) a workers' compensation insurance policy.

2-33 Sec. 1358.103. LIMIT ON COST-SHARING REQUIREMENT. (a) In
2-34 this section, "insulin" means a prescription drug that contains
2-35 insulin and is used to treat diabetes. The term does not include an
2-36 insulin drug that is administered to a patient intravenously.

2-37 (b) A health benefit plan may not impose a cost-sharing
2-38 provision for insulin that is included in the health benefit plan's
2-39 formulary if the total amount the enrollee is required to pay
2-40 exceeds \$50 for a 30-day supply, regardless of the amount or type of
2-41 insulin needed to fill the enrollee's prescription.

2-42 SECTION 2. The changes in law made by this Act apply only to
2-43 a health benefit plan that is delivered, issued for delivery, or
2-44 renewed on or after January 1, 2022. A health benefit plan
2-45 delivered, issued for delivery, or renewed before January 1, 2022,
2-46 is governed by the law as it existed immediately before the
2-47 effective date of this Act, and that law is continued in effect for
2-48 that purpose.

2-49 SECTION 3. This Act takes effect September 1, 2021.

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