By: Price, et al. (Senate Sponsor - Schwertner) H.B. No. 999

(In the Senate - Received from the House April 24, 2023; May 2, 2023, read first time and referred to Committee on Health & Human Services; May 19, 2023, reported favorably by the following vote: Yeas 8, Nays 0; May 19, 2023, sent to printer.)

COMMITTEE VOTE

	Yea	Nay	Absent	PNV
Kolkhorst	X			
Perry	X			
Blanco	X			
Hall	X			
Hancock			X	
Hughes	X			
LaMantia	X			
Miles	X			
Sparks	X			

A BILL TO BE ENTITLED
AN ACT

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

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

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

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

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

Sec. 1369.0542. EFFECT OF REDUCTIONS IN OUT-OF-POCKET EXPENSES ON COST SHARING. (a) This section applies only to a reduction in out-of-pocket expenses made by or on behalf of an enrollee for a prescription drug covered by the enrollee's health benefit plan for which:

(1) a generic equivalent does not exist;

(2) a generic equivalent does exist but the enrollee has obtained access to the prescription drug under the enrollee's health benefit plan using:

(A) a prior authorization process;

(B) a step therapy protocol; or

(C) the health benefit plan issuer's exceptions and appeals process;

(3) an interchangeable biological product does not exist; or

(4) an interchangeable biological product does exist but the enrollee has obtained access to the prescription drug under the enrollee's health benefit plan using:

(A) a prior authorization process;

(B) a step therapy protocol; or

(C) the health benefit plan issuer's exceptions and appeals process.

(b) An issuer of a health benefit plan that covers prescription drugs or a pharmacy benefit manager shall apply any third-party payment, financial assistance, discount, product voucher, or other reduction in out-of-pocket expenses made by or on behalf of an enrollee for a prescription drug to the enrollee's deductible, copayment, cost-sharing responsibility, or out-of-pocket maximum applicable to health benefits under the enrollee's plan.

SECTION 3. Section 1369.0542, Insurance Code, as added by this Act, applies only to a health benefit plan that is delivered, issued for delivery, or renewed on or after January 1, 2024. A

health benefit plan delivered, issued for delivery, or renewed before January 1, 2024, is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2023.

* * * * *