By: Oliverson H.B. No. 3026

A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to the administration of a prescription drug manufacturer
- 3 or third-party prescription assistance program.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 65.002(b), Health and Safety Code, is
- 6 amended to read as follows:
- 7 (b) The purpose of this chapter is to <u>authorize the</u>
- 8 commission to establish a program to provide uninsured individuals
- 9 access to prescription drug benefits using money from the fund to
- 10 pay an amount equal to the value of a prescription drug rebate at
- 11 the point of sale and returning that rebate amount to the fund to
- 12 ensure the amounts credited to the fund equal the amounts paid from
- 13 the fund.
- 14 SECTION 2. Section 65.051(a), Health and Safety Code, is
- 15 amended to read as follows:
- 16 (a) The commission may [shall] develop and design a
- 17 prescription drug savings program that partners with a pharmacy
- 18 benefit manager to offer prescription drugs at a discounted rate to
- 19 uninsured individuals.
- SECTION 3. Section 65.204, Health and Safety Code, is
- 21 amended to read as follows:
- Sec. 65.204. ANNUAL PROGRAM REPORTS. Not later than
- 23 December 1 of each year <u>following the first year in which the</u>
- 24 program is established, the commission shall provide a written

- 1 report to the governor, lieutenant governor, speaker of the house
- 2 of representatives, and standing committees of the legislature with
- 3 primary jurisdiction over the program. The report must include:
- 4 (1) a line-item list of all program administrative
- 5 costs incurred by the commission;
- 6 (2) the amount of the pharmacy benefit manager and
- 7 third-party administrator fees;
- 8 (3) the aggregate amounts of rebates anticipated and
- 9 received for the program; and
- 10 (4) other program expenditures as the commission
- 11 determines appropriate.
- 12 SECTION 4. Subtitle C, Title 2, Health and Safety Code, is
- 13 amended by adding Chapter 66 to read as follows:
- 14 CHAPTER 66. PRESCRIPTION DRUG ASSISTANCE PROGRAM
- SUBCHAPTER A. GENERAL PROVISIONS
- Sec. 66.001. DEFINITIONS. In this chapter:
- 17 (1) "Prescription drug" has the meaning assigned by
- 18 Section 551.003, Occupations Code.
- 19 (2) "Program" means the prescription drug assistance
- 20 program established under this chapter.
- 21 Sec. 66.002. CONSTRUCTION OF CHAPTER; PURPOSE. (a) This
- 22 chapter does not establish an entitlement to assistance in
- 23 <u>obtaining benefits for certain individuals.</u>
- 24 (b) The purpose of this chapter is to authorize the
- 25 commission to establish a program to provide certain individuals
- 26 access to prescription drug benefits using a prescription drug
- 27 manufacturer or third-party prescription assistance programs.

- 1 (c) This chapter does not expand the Medicaid program.
- 2 Sec. 66.003. RULES. The executive commissioner may adopt
- 3 the rules necessary to implement this chapter.
- 4 SUBCHAPTER B. ESTABLISHMENT AND ADMINISTRATION OF PRESCRIPTION
- 5 DRUG ASSISTANCE PROGRAM
- 6 Sec. 66.051. ESTABLISHMENT OF PROGRAM. (a) The commission
- 7 shall develop and design a prescription drug assistance program to
- 8 increase access to prescription drugs for certain individuals
- 9 through a prescription drug manufacturer or other third-party
- 10 patient assistance program.
- 11 (b) In developing and implementing the program, the
- 12 commission shall ensure the program benefits exclude prescription
- 13 drugs used for the elective termination of a pregnancy.
- 14 (c) The commission shall ensure the program is designed to
- 15 provide the greatest value to program enrollees by considering:
- 16 (1) the adequacy of prescription drugs available
- 17 through the program;
- 18 (2) the net costs of the drugs to enrollees;
- 19 (3) the cost to this state; and
- 20 (4) other important factors as determined by the
- 21 commission.
- Sec. 66.052. GENERAL POWERS AND DUTIES OF COMMISSION. (a)
- 23 The commission shall oversee the implementation of the program and
- 24 develop procedures for accepting applications for program
- 25 enrollment.
- 26 (b) The commission shall list in a central location on the
- 27 <u>commission's Internet website information</u> that directs a patient to

- 1 the appropriate assistance available under the program.
- 2 (c) To the extent feasible, the commission shall integrate a
- 3 prescription drug manufacturer or third-party patient assistance
- 4 program into the prescription drug assistance program. A
- 5 prescription drug manufacturer or other third party may decline to
- 6 link the prescription drug manufacturer's or third party's patient
- 7 assistance program to the prescription drug assistance program.
- 8 Sec. 66.053. CONTRACT AND GRANT AUTHORITY. (a) The
- 9 commission may contract with a third-party administrator or other
- 10 entity to perform any or all of the commission's program duties
- 11 under this chapter.
- 12 (b) A third-party administrator or other entity under a
- 13 contract entered into under Subsection (a) may perform the actions
- 14 the commission would otherwise perform to implement the program.
- 15 <u>(c) The commission may award grants to or enter into other</u>
- 16 <u>arrangements with a governmental entity or nonprofit organization</u>
- 17 to implement this chapter.
- 18 Sec. 66.054. COMMUNITY OUTREACH AND EDUCATION CAMPAIGN. The
- 19 commission shall conduct a community outreach and education
- 20 campaign to provide information on the program's availability to
- 21 <u>eligible individuals.</u>
- 22 <u>SUBCHAPTER C. FUNDING; PROGRAM SUSPENSION</u>
- Sec. 66.101. FUNDING. (a) The commission may accept and
- 24 use money to implement this chapter, including:
- 25 <u>(1) gifts, grants, and donations;</u>
- 26 (2) legislative appropriations; and
- 27 (3) federal money available under law.

- 1 (b) Money accepted under Subsection (a) may be used only to
- 2 administer the prescription drug assistance program and provide
- 3 program services.
- 4 Sec. 66.102. SUFFICIENT FUNDING REQUIRED. Notwithstanding
- 5 any other provision of this chapter, the commission is not required
- 6 to implement the program unless appropriated money is made
- 7 available for the program.
- 8 <u>SUBCHAPTER D. PROGRAM ELIGIBILITY AND ENROLLEE REQUIREMENTS</u>
- 9 Sec. 66.151. ELIGIBILITY CRITERIA. (a) Except as provided
- 10 by Subsection (b), an individual is eligible for benefits under the
- 11 program if the individual meets eligibility criteria as determined
- 12 by a prescription drug manufacturer or other third party's
- 13 prescription assistance program.
- 14 (b) The commission may identify additional factors the
- 15 program must consider for program eligibility.
- 16 SUBCHAPTER E. OPERATION OF PROGRAM
- Sec. 66.201. PROGRAM BENEFITS. The commission must approve
- 18 program benefits offered under this chapter. The commission shall
- 19 ensure the benefits comply with all applicable federal and state
- 20 laws and rules.
- Sec. 66.202. REPORT. (a) A third-party administrator or
- 22 other entity the commission contracts with under Section 66.053
- 23 shall report to the commission in the form and manner prescribed by
- 24 the commission on the benefits and services provided under the
- 25 program.
- 26 (b) The commission shall establish a procedure to monitor
- 27 the provision of benefits and services under this chapter.

- 1 Sec. 66.203. ANNUAL PROGRAM REPORT. Not later than
- 2 December 1 of <u>each year</u>, the commission shall provide a written
- 3 report to the governor, lieutenant governor, speaker of the house
- 4 of representatives, and standing committees of the legislature with
- 5 primary jurisdiction over the program. The report must include:
- 6 (1) a line-item list of all program administrative
- 7 costs incurred by the commission, including costs incurred by a
- 8 third-party administrator or other entity;
- 9 (2) the aggregate amount of prescription drug cost
- 10 savings accrued under the program; and
- 11 (3) other program expenditures as the commission
- 12 determines appropriate.
- 13 SECTION 5. Section 65.102, Health and Safety Code, is
- 14 repealed.
- 15 SECTION 6. The Health and Human Services Commission is
- 16 required to implement a provision of this Act only if the
- 17 legislature appropriates money specifically for that purpose. If
- 18 the legislature does not appropriate money specifically for that
- 19 purpose, the Health and Human Services Commission may, but is not
- 20 required to, implement a provision of this Act using other
- 21 appropriations available for that purpose.
- 22 SECTION 7. As soon as practicable after the effective date
- 23 of this Act, the executive commissioner of the Health and Human
- 24 Services Commission and any other state agency designated by the
- 25 executive commissioner shall adopt rules necessary to implement
- 26 Chapter 65, Health and Safety Code, as amended by this Act, and
- 27 Chapter 66, Health and Safety Code, as added by this Act.

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1 SECTION 8. This Act takes effect September 1, 2023.