By: Perry S.B. No. 241

A BILL TO BE ENTITLED

AN ACT

relating to written notification provided by drug manufacturers regarding the cause of generic or biosimilar insulin prescription drug unavailability.

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

SECTION 1. Chapter 439, Health and Safety Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. INSULIN

Sec. 439.101. DEFINITION. In this subchapter, "manufacturer" has the meaning assigned by Section 531.070, Government Code.

Sec. 439.102. WRITTEN VERIFICATION REQUIRED FOR BRAND NAME INSULIN DRUG MANUFACTURER. (a) The manufacturer of a brand name insulin prescription drug for which a generic or biosimilar prescription drug is not available and that is included in the Medicaid vendor drug program formulary must submit to the Health and Human Services Commission a written verification stating whether or not the unavailability of the generic or biosimilar prescription drug is the result, wholly or partly, of:

(1) a scheme by the manufacturer to pay a generic or biosimilar prescription drug manufacturer to delay manufacturing or marketing the generic or biosimilar drug;

(2) a legal or business strategy to extend the life of a patent on the brand name prescription drug;

(3) the manufacturer directly manipulating a patent on the brand name prescription drug; or

(4) the manufacturer facilitating an action described by Subdivisions (1)-(3) on behalf of another entity.

(b) The executive commissioner shall adopt rules prescribing the form and manner for submission of the written verification required under Subsection (a).

SECTION 2. This Act takes effect September 1, 2024.