

A BILL TO BE ENTITLED

AN ACT

relating to health benefit plan coverage of clinician-administered drugs.

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

SECTION 1. Chapter 1369, Insurance Code, is amended by adding Subchapter Q to read as follows:

SUBCHAPTER Q. CLINICIAN-ADMINISTERED DRUGS

Sec. 1369.761. DEFINITIONS. In this subchapter:

(1) "Administer" means to directly apply a drug to the body of a patient by injection, inhalation, ingestion, or any other means.

(2) "Clinician-administered drug" means an outpatient prescription drug other than a vaccine that:

(A) cannot reasonably be:

(i) self-administered by the patient to whom the drug is prescribed; or

(ii) administered by an individual assisting the patient with the self-administration; and

(B) is typically administered:

(i) by a physician or other health care provider authorized under the laws of this state to administer the drug, including when acting under a physician's delegation and supervision; and

(ii) in a physician's office, hospital,

1 hospital outpatient infusion center, or other clinical setting.

2 (3) "Health care provider" means an individual who is  
3 licensed, certified, or otherwise authorized to provide health care  
4 services in this state.

5 (4) "Physician" means an individual licensed to  
6 practice medicine in this state.

7 Sec. 1369.762. APPLICABILITY OF SUBCHAPTER. (a) This  
8 subchapter applies only to a health benefit plan that provides  
9 benefits for medical or surgical expenses incurred as a result of a  
10 health condition, accident, or sickness, including an individual,  
11 group, blanket, or franchise insurance policy or insurance  
12 agreement, a group hospital service contract, or an individual or  
13 group evidence of coverage or similar coverage document that is  
14 offered by:

15 (1) an insurance company;

16 (2) a group hospital service corporation operating  
17 under Chapter 842;

18 (3) a health maintenance organization operating under  
19 Chapter 843;

20 (4) an approved nonprofit health corporation that  
21 holds a certificate of authority under Chapter 844;

22 (5) a multiple employer welfare arrangement that holds  
23 a certificate of authority under Chapter 846;

24 (6) a stipulated premium company operating under  
25 Chapter 884;

26 (7) a fraternal benefit society operating under  
27 Chapter 885;

1           (8) a Lloyd's plan operating under Chapter 941; or

2           (9) an exchange operating under Chapter 942.

3           (b) Notwithstanding any other law, this subchapter applies  
4 to:

5           (1) a small employer health benefit plan subject to  
6 Chapter 1501, including coverage provided through a health group  
7 cooperative under Subchapter B of that chapter;

8           (2) a standard health benefit plan issued under  
9 Chapter 1507;

10           (3) health benefits provided by or through a church  
11 benefits board under Subchapter I, Chapter 22, Business  
12 Organizations Code;

13           (4) group health coverage made available by a school  
14 district in accordance with Section 22.004, Education Code;

15           (5) a regional or local health care program operating  
16 under Section 75.104, Health and Safety Code; and

17           (6) a self-funded health benefit plan sponsored by a  
18 professional employer organization under Chapter 91, Labor Code.

19           Sec. 1369.763. EXCEPTIONS TO APPLICABILITY OF SUBCHAPTER.

20 This subchapter does not apply to an issuer or provider of health  
21 benefits under or a pharmacy benefit manager administering pharmacy  
22 benefits under:

23           (1) the state Medicaid program, including the Medicaid  
24 managed care program under Chapter 533, Government Code;

25           (2) the child health plan program under Chapter 62,  
26 Health and Safety Code;

27           (3) the TRICARE military health system; or

1           (4) a workers' compensation insurance policy or other  
2 form of providing medical benefits under Title 5, Labor Code.

3           Sec. 1369.764. CERTAIN LIMITATIONS ON COVERAGE OF  
4 CLINICIAN-ADMINISTERED DRUGS PROHIBITED. (a) A health benefit  
5 plan issuer may not, for an enrollee with a chronic, complex, rare,  
6 or life-threatening medical condition:

7           (1) require clinician-administered drugs to be  
8 dispensed only by certain pharmacies or only by pharmacies  
9 participating in the health benefit plan issuer's network;

10           (2) if a clinician-administered drug is otherwise  
11 covered, limit or exclude coverage for such drugs based on the  
12 enrollee's choice of pharmacy, or because the drug was not  
13 dispensed by a pharmacy that participates in the health benefit  
14 plan issuer's network;

15           (3) reimburse at a lesser amount  
16 clinician-administered drugs based on the enrollee's choice of  
17 pharmacy, or because the drug was dispensed by a pharmacy that does  
18 not participate in the health benefit plan issuer's network; or

19           (4) require that an enrollee pay an additional fee,  
20 higher copay, higher coinsurance, second copay, second  
21 coinsurance, or any other price increase for  
22 clinician-administered drugs based on the enrollee's choice of  
23 pharmacy, or because the drug was not dispensed by a pharmacy that  
24 participates in the health benefit plan issuer's network.

25           (b) Nothing in this section may be construed to:

26           (1) authorize a person to administer a drug when  
27 otherwise prohibited under the laws of this state or federal law; or

1           (2) modify drug administration requirements under the  
2 laws of this state, including any requirements related to  
3 delegation and supervision of drug administration.

4           SECTION 2. Subchapter Q, Chapter 1369, Insurance Code, as  
5 added by this Act, applies only to a health benefit plan that is  
6 delivered, issued for delivery, or renewed on or after January 1,  
7 2024.

8           SECTION 3. This Act takes effect September 1, 2023.