

By: Deuell

S.B. No. 719

A BILL TO BE ENTITLED

AN ACT

relating to the operation of mail order prescription plans for certain public employees and retirees.

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

SECTION 1. Subchapter E, Chapter 1551, Insurance Code, is amended by adding Section 1551.2195 to read as follows:

Sec. 1551.2195. RESTRICTIONS ON MAIL ORDER PRESCRIPTION PLANS. (a) In this section, "pharmacy benefit manager" has the meaning assigned by Section 4151.151.

(b) A pharmacy benefit manager who administers pharmacy benefits under a coverage plan under this chapter may not refer a participant in the group benefits program to a mail order prescription plan that is owned by the pharmacy benefit manager.

(c) A pharmacy benefit manager who violates Subsection (b) is subject to sanctions as provided by Chapter 82.

SECTION 2. Subchapter D, Chapter 1575, Insurance Code, is amended by adding Section 1575.169 to read as follows:

Sec. 1575.169. RESTRICTIONS ON MAIL ORDER PRESCRIPTION PLANS. (a) In this section, "pharmacy benefit manager" has the meaning assigned by Section 4151.151.

(b) A pharmacy benefit manager who administers pharmacy benefits under a health benefit plan under this chapter may not refer a participant in the group program to a mail order prescription plan that is owned by the pharmacy benefit manager.

1 (c) A pharmacy benefit manager who violates Subsection (b)
2 is subject to sanctions as provided by Chapter 82.

3 SECTION 3. Subchapter C, Chapter 1579, Insurance Code, is
4 amended by adding Section 1579.107 to read as follows:

5 Sec. 1579.107. RESTRICTIONS ON MAIL ORDER PRESCRIPTION
6 PLANS. (a) In this section, "pharmacy benefit manager" has the
7 meaning assigned by Section 4151.151.

8 (b) A pharmacy benefit manager who administers pharmacy
9 benefits under a coverage plan under this chapter may not refer a
10 participant in the program to a mail order prescription plan that is
11 owned by the pharmacy benefit manager.

12 (c) A pharmacy benefit manager who violates Subsection (b)
13 is subject to sanctions as provided by Chapter 82.

14 SECTION 4. This Act applies to health benefit plans
15 provided under Chapters 1551, 1575, and 1579, Insurance Code,
16 beginning with the 2005-2006 plan year.

17 SECTION 5. This Act takes effect September 1, 2005.