

Amend **SB 1834** (Senate committee printing) as follows:

(1) In SECTION 1 of the bill, in the recital, strike "531.0747, and 531.0748" (page 1, line 13) and substitute "531.0747, 531.0748, and 531.0749".

(2) In SECTION 1 of the bill, after added Section 531.0748, Government Code, insert the following (page 2, between lines 12 and 13):

Sec. 531.0749. AUDIT OF PHARMACY BENEFIT MANAGERS. (a) In this section, "pharmacy benefit manager" means a person, other than a pharmacy or pharmacist, who acts as an administrator in connection with pharmacy benefits.

(b) A contract with a pharmacy benefit manager entered into with respect to any mail order or specialty pharmacy services program under the jurisdiction of the commission must provide that the commission, using an auditor selected by the commission, may audit:

(1) the program's pharmacy benefit claims;

(2) the pharmacy benefit manager's contracts with pharmaceutical manufacturers and labelers;

(3) the pharmacy benefit manager's utilization management clinical criteria; and

(4) mail service purchasing invoices related to benefits provided under the program.

(c) This section does not affect the state auditor's authority to access information or conduct an audit.

(3) In SECTION 2 of the bill, in the recital, strike "1001.082, and 1001.083" (page 2, lines 14 and 15) and substitute "1001.082, 1001.083, and 1001.084".

(4) In SECTION 2 of the bill, after added Section 1001.083, Health and Safety Code, insert the following (page 3, between lines 8 and 9):

Sec. 1001.084. AUDIT OF PHARMACY BENEFIT MANAGERS. (a) In this section, "pharmacy benefit manager" means a person, other than a pharmacy or pharmacist, who acts as an administrator in connection with pharmacy benefits.

(b) A contract with a pharmacy benefit manager entered into with respect to any mail order or specialty pharmacy services

program under the jurisdiction of the department must provide that the department, using an auditor selected by the department, may audit:

- (1) the program's pharmacy benefit claims;
- (2) the pharmacy benefit manager's contracts with pharmaceutical manufacturers and labelers;
- (3) the pharmacy benefit manager's utilization management clinical criteria; and
- (4) mail service purchasing invoices related to benefits provided under the program.

(c) This section does not affect the state auditor's authority to access information or conduct an audit.

(5) In SECTION 3 of the bill, in the recital, strike "1551.074, and 1551.075" (page 3, line 10) and substitute "1551.074, 1551.075, and 1551.076".

(6) In SECTION 3 of the bill, after added Section 1551.075, Insurance Code, insert the following (page 4, between lines 9 and 10):

Sec. 1551.076. AUDIT OF PHARMACY BENEFIT MANAGERS. (a) In this section, "pharmacy benefit manager" means an administering firm or other person, other than a pharmacy or pharmacist, who acts as an administrator in connection with pharmacy benefits. The term includes an administrator subject to Chapter 4151 who administers pharmacy benefits.

(b) A contract with a pharmacy benefit manager entered into with respect to any mail order or specialty pharmacy services program under the jurisdiction of the board of trustees, using an auditor selected by the board of trustees, may audit:

- (1) the program's pharmacy benefit claims;
- (2) the pharmacy benefit manager's contracts with pharmaceutical manufacturers and labelers;
- (3) the pharmacy benefit manager's utilization management clinical criteria; and
- (4) mail service purchasing invoices related to benefits provided under the program.

(c) This section does not affect the state auditor's authority to access information or conduct an audit.

(7) In SECTION 4 of the bill, in the recital, strike "1575.063, and 1575.064" (page 4, line 11) and substitute "1575.063, 1575.064, and 1575.065".

(8) In SECTION 4 of the bill, after added Section 1575.064, Insurance Code, insert the following (page 5, between lines 8 and 9):

Sec. 1575.065. AUDIT OF PHARMACY BENEFIT MANAGERS. (a) In this section, "pharmacy benefit manager" means a person, other than a pharmacy or pharmacist, who acts as an administrator in connection with pharmacy benefits. The term includes an administrator subject to Chapter 4151 who administers pharmacy benefits.

(b) A contract with a pharmacy benefit manager entered into with respect to any mail order or specialty pharmacy services program under the jurisdiction of the trustee must provide that the trustee, using an auditor selected by the trustee, may audit:

(1) the program's pharmacy benefit claims;

(2) the pharmacy benefit manager's contracts with pharmaceutical manufacturers and labelers;

(3) the pharmacy benefit manager's utilization management clinical criteria; and

(4) mail service purchasing invoices related to benefits provided under the program.

(c) This section does not affect the state auditor's authority to access information or conduct an audit.

(9) In SECTION 5 of the bill, in the recital, strike "1579.062, and 1579.063" (page 5, line 10) and substitute "1579.062, 1579.063, and 1579.064".

(10) In SECTION 5 of the bill, after added Section 1579.063, Insurance Code, insert the following (page 6, between lines 7 and 8):

Sec. 1579.064. AUDIT OF PHARMACY BENEFIT MANAGERS. (a) In this section, "pharmacy benefit manager" means an administering firm or other person, other than a pharmacy or pharmacist, who acts as an administrator in connection with pharmacy benefits. The term includes an administrator subject to Chapter 4151 who administers pharmacy benefits.

(b) A contract with a pharmacy benefit manager entered into with respect to any mail order or specialty pharmacy services program under the jurisdiction of the trustee must provide that the trustee, using an auditor selected by the trustee, may audit:

(1) the program's pharmacy benefit claims;

(2) the pharmacy benefit manager's contracts with pharmaceutical manufacturers and labelers;

(3) the pharmacy benefit manager's utilization management clinical criteria; and

(4) mail service purchasing invoices related to benefits provided under the program.

(c) This section does not affect the state auditor's authority to access information or conduct an audit.