

Amend **SB 704** by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter B, Chapter 1369, Insurance Code, is amended by adding Section 1369.0551 to read as follows:

Sec. 1369.0551. STUDY. (a) The department shall conduct a study to evaluate the ways in which pharmacy benefit managers use prescription drug information to manage therapeutic drug interchange programs and other drug substitution recommendations made by pharmacy benefit managers or other similar entities. The study must include information regarding pharmacy benefit managers:

(1) intervening in the delivery or transmission of a prescription from a prescribing health care practitioner to a pharmacist for purposes of influencing the prescribing health care practitioner's choice of therapy;

(2) recommending that a prescribing health care practitioner change from the originally prescribed medication to another medication, including generic substitutions and therapeutic interchanges;

(3) changing a drug or device prescribed by a health care practitioner without the consent of the prescribing health care practitioner;

(4) changing a patient cost-sharing obligation for the cost of a prescription drug or device, including placing a drug or device on a higher formulary tier than the initial contracted benefit level; and

(5) removing a drug or device from a group health benefit plan formulary without providing proper enrollee notice.

(b) Not later than August 1, 2010, the department shall submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the appropriate standing committees of the legislature a report regarding the results of the study required by Subsection (a), together with any recommendations for legislation.

(c) This section expires September 1, 2010.