

BILL ANALYSIS

C.S.H.B. 1138
By: Shelton
Insurance
Committee Report (Substituted)

BACKGROUND AND PURPOSE

To fill a prescription, a pharmacist needs certain information about an individual's health benefit plan, some of which may be obtained from the customer's pharmacy benefit identification card. If the card does not provide all the necessary information, the pharmacist must call the health benefit plan provider for the information. The current statutory requirements for the information that must be on a pharmacy benefit identification card do not include all of the needed information.

C.S.H.B. 1138 requires additional information to be included on a pharmacy benefit identification card and requires certain information to be located on the front of the card. The bill adds to the health benefit plans and programs to which provisions relating to pharmacy benefit identification cards are applicable certain plans for state employees, the children's health insurance program for certain low-income children, and the Medicaid program.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1138 amends the Insurance Code to make provisions relating to pharmacy benefit cards applicable to coverage under the basic coverage plan under certain plans for state employees, the children's health insurance program under the Indigent Health Care and Treatment Act, and the Medicaid program.

C.S.H.B. 1138 amends provisions relating to the information an issuer of a health benefit plan that provides benefits to enrollees must include on a pharmacy benefit identification card, and specifies that such information must appear on the front of the card. The bill adds to the required information that must be included on the front of the card the identification number of an enrollee of a health benefit plan, which may not be the enrollee's social security number, and the bank identification number necessary for electronic billing. The bill, rather than requiring the following information to be included on the front of the identification card of each enrollee, requires only that the following information be included on the card: the logo of the entity administering the pharmacy benefits, if the entity is different from the health benefit plan issuer, and a telephone number for contacting an appropriate person to obtain information relating to the pharmacy benefits provided under the plan.

C.S.H.B. 1138 authorizes the issuer also to provide the required information in an electronically readable form on the back of the card. The bill makes its provisions applicable to an insurance policy or contract or evidence of coverage that is delivered, issued for delivery, or renewed on or after January 1, 2010.

EFFECTIVE DATE

September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 1138 adds a provision not in the original making provisions relating to pharmacy benefit cards applicable to certain coverage plans and programs in addition to the plans and programs to which the provisions currently apply. The substitute removes language in the original requiring information on the expected expiration date of the coverage and on the deductible for generic and brand-name prescription drugs to be included on the front of a pharmacy benefit identification card. The substitute differs from the original by requiring the logo of the entity administering the pharmacy benefits, if the entity is different from the health benefit plan issuer, and a telephone number for contacting an appropriate person to obtain information relating to the pharmacy benefits provided under the plan to be included on the identification card, whereas the original required this information to be on the front of the card.