

By: Smithee

H.B. No. 1624

A BILL TO BE ENTITLED

AN ACT

relating to transparency of certain information related to certain health benefit plan coverage.

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

SECTION 1. Subchapter B, Chapter 1369, Insurance Code, is amended by adding Sections 1369.0542 and 1369.0543 to read as follows:

Sec. 1369.0542. FORMULARY INFORMATION ON INTERNET WEBSITE.

(a) A health benefit plan issuer shall display on a public Internet website maintained by the issuer formulary information as required by the commissioner by rule. The information must be displayed in the template format developed under Section 1369.0543.

(b) A direct electronic link to the formulary information must be displayed in a conspicuous manner on the home page of the health benefit plan issuer's Internet website. The information must be publicly accessible without necessity of providing a password, a user name, or personally identifiable information.

Sec. 1369.0543. DEVELOPMENT OF TEMPLATE. (a) The

department shall develop a template that all health benefit plan issuers must use to display formulary information as required by Section 1369.0542.

(b) The commissioner shall appoint a committee to advise the department on the development of the template, which must be electronically searchable by drug name and include:

- 1 (1) detailed information about cost-sharing tiers,
- 2 including coinsurance amounts or range of amounts for each drug;
- 3 (2) disclosure of prior authorization, step therapy,
- 4 or other protocol requirements for each drug;
- 5 (3) identification of preferred formulary drugs;
- 6 (4) an explanation of coverage of each formulary drug;
- 7 and
- 8 (5) an indication of each formulary that applies to
- 9 each health benefit plan issued by the issuer.

10 (c) The advisory committee shall be composed of an equal  
11 number of members from each of the following groups of  
12 stakeholders:

- 13 (1) physicians;
- 14 (2) health care providers other than physicians;
- 15 (3) consumers; and
- 16 (4) health benefit plan issuers.

17 SECTION 2. Chapter 1451, Insurance Code, is amended by  
18 adding Subchapter K to read as follows:

19 SUBCHAPTER K. HEALTH CARE PROVIDER DIRECTORIES

20 Sec. 1451.501. DEFINITIONS. In this subchapter:

- 21 (1) "Health care provider" means a practitioner,
- 22 institutional provider, or other person or organization that
- 23 furnishes health care services and that is licensed or otherwise
- 24 authorized to practice in this state. The term includes a
- 25 pharmacist, pharmacy, hospital, nursing home, or other medical or
- 26 health-related service facility that provides care for the sick or
- 27 injured or other care. The term does not include a physician.

1           (2) "Physician" means an individual licensed to  
2 practice medicine in this state.

3           Sec. 1451.502. APPLICABILITY OF SUBCHAPTER. This  
4 subchapter applies only to a health benefit plan that provides  
5 benefits for medical or surgical expenses incurred as a result of a  
6 health condition, accident, or sickness, including an individual,  
7 group, blanket, or franchise insurance policy or insurance  
8 agreement, a group hospital service contract, or a small or large  
9 employer group contract or similar coverage document that is  
10 offered by:

11           (1) an insurance company;

12           (2) a group hospital service corporation operating  
13 under Chapter 842;

14           (3) a fraternal benefit society operating under  
15 Chapter 885;

16           (4) a stipulated premium company operating under  
17 Chapter 884;

18           (5) a reciprocal exchange operating under Chapter 942;

19           (6) a health maintenance organization operating under  
20 Chapter 843;

21           (7) a multiple employer welfare arrangement that holds  
22 a certificate of authority under Chapter 846; or

23           (8) an approved nonprofit health corporation that  
24 holds a certificate of authority under Chapter 844.

25           Sec. 1451.503. EXCEPTION. This subchapter does not apply  
26 to:

27           (1) a health benefit plan that provides coverage:

- 1                   (A) only for a specified disease or for another  
2 single benefit;
- 3                   (B) only for accidental death or dismemberment;
- 4                   (C) for wages or payments in lieu of wages for a  
5 period during which an employee is absent from work because of  
6 sickness or injury;
- 7                   (D) as a supplement to a liability insurance  
8 policy;
- 9                   (E) for credit insurance;
- 10                   (F) only for dental or vision care;
- 11                   (G) only for hospital expenses; or
- 12                   (H) only for indemnity for hospital confinement;
- 13                   (2) a Medicare supplemental policy as defined by  
14 Section 1882(g)(1), Social Security Act (42 U.S.C. Section 1395ss),  
15 as amended;
- 16                   (3) a workers' compensation insurance policy;
- 17                   (4) medical payment insurance coverage provided under  
18 a motor vehicle insurance policy;
- 19                   (5) a long-term care insurance policy, including a  
20 nursing home fixed indemnity policy, unless the commissioner  
21 determines that the policy provides benefit coverage so  
22 comprehensive that the policy is a health benefit plan as described  
23 by Section 1451.502;
- 24                   (6) the child health plan program under Chapter 62,  
25 Health and Safety Code, or the health benefits plan for children  
26 under Chapter 63, Health and Safety Code; or
- 27                   (7) a Medicaid managed care program operated under

1 Chapter 533, Government Code, or a Medicaid program operated under  
2 Chapter 32, Human Resources Code.

3 Sec. 1451.504. PHYSICIAN AND HEALTH CARE PROVIDER  
4 DIRECTORIES. (a) A health benefit plan issuer that offers coverage  
5 for health care services through preferred providers, exclusive  
6 providers, or a network of physicians or health care providers  
7 shall develop and maintain a physician and health care provider  
8 directory in accordance with this subchapter.

9 (b) The directory must include the name, street address, and  
10 telephone number of each physician and health care provider  
11 described by Subsection (a) and indicate whether the physician or  
12 provider is accepting new patients.

13 Sec. 1451.505. PHYSICIAN AND HEALTH CARE PROVIDER DIRECTORY  
14 ON INTERNET WEBSITE. (a) A health benefit plan issuer shall display  
15 on a public Internet website maintained by the issuer the directory  
16 required by Section 1451.504. A direct electronic link to the  
17 directory must be displayed in a conspicuous manner on the home page  
18 of the Internet website.

19 (b) The health benefit plan issuer shall clearly indicate in  
20 the directory each health benefit plan issued by the issuer that may  
21 provide coverage for services provided by each physician or health  
22 care provider included in the directory.

23 (c) The directory must be:

24 (1) electronically searchable by physician or health  
25 care provider name and location; and

26 (2) publicly accessible without necessity of  
27 providing a password, a user name, or personally identifiable

1 information.

2 (d) The health benefit plan issuer shall conduct an ongoing  
3 review of the directory and correct or update the information as  
4 necessary. Except as provided by Subsection (e), corrections and  
5 updates, if any, must be made not less than once each month.

6 (e) The health benefit plan issuer shall conspicuously  
7 display in the directory required by Section 1451.504 an e-mail  
8 address and a toll-free telephone number to which any individual  
9 may report any inaccuracy in the directory. If the issuer receives a  
10 report from any person that specifically identified directory  
11 information may be inaccurate, the issuer shall investigate the  
12 report and correct the information, as necessary, not later than  
13 the seventh day after the date the report is received.

14 SECTION 3. The commissioner of insurance shall ensure that  
15 the template developed under Section 1369.0543, Insurance Code, as  
16 added by this Act, is available for initial use under Section  
17 1369.0542, Insurance Code, as added by this Act, not later than  
18 January 1, 2016.

19 SECTION 4. This Act applies only to a health benefit plan  
20 that is delivered, issued for delivery, or renewed on or after  
21 January 1, 2016. A plan delivered, issued for delivery, or renewed  
22 before January 1, 2016, is governed by the law as it existed  
23 immediately before the effective date of this Act, and that law is  
24 continued in effect for that purpose.

25 SECTION 5. This Act takes effect September 1, 2015.