

By: Buckingham, et al.

S.B. No. 697

A BILL TO BE ENTITLED

AN ACT

relating to health benefit coverage for prescription drug  
synchronization.

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

SECTION 1. Chapter 1369, Insurance Code, is amended by  
adding Subchapter J to read as follows:

SUBCHAPTER J. COVERAGE RELATED TO PRESCRIPTION DRUG

SYNCHRONIZATION

Sec. 1369.451. DEFINITIONS. In this subchapter:

(1) "Cost-sharing amount" includes an amount charged  
for a deductible, coinsurance, or copayment.

(2) "Health care provider" means a person who provides  
health care services under a license, certificate, registration, or  
other similar evidence of regulation issued by this or another  
state of the United States.

(3) "Physician" means an individual licensed to  
practice medicine in this or another state of the United States.

Sec. 1369.452. APPLICABILITY OF SUBCHAPTER. (a) This  
subchapter applies only to a health benefit plan that provides  
benefits for medical or surgical expenses incurred as a result of a  
health condition, accident, or sickness, including an individual,  
group, blanket, or franchise insurance policy or insurance  
agreement, a group hospital service contract, or an individual or  
group evidence of coverage or similar coverage document that is

1 offered by:

2 (1) an insurance company;

3 (2) a group hospital service corporation operating  
4 under Chapter 842;

5 (3) a health maintenance organization operating under  
6 Chapter 843;

7 (4) an approved nonprofit health corporation that  
8 holds a certificate of authority under Chapter 844;

9 (5) a multiple employer welfare arrangement that holds  
10 a certificate of authority under Chapter 846;

11 (6) a stipulated premium company operating under  
12 Chapter 884;

13 (7) a fraternal benefit society operating under  
14 Chapter 885; or

15 (8) an exchange operating under Chapter 942.

16 (b) This subchapter applies to group health coverage made  
17 available by a school district in accordance with Section 22.004,  
18 Education Code.

19 (c) Notwithstanding any provision in Chapter 1551, 1575,  
20 1579, or 1601 or any other law, this subchapter applies to health  
21 benefit plan coverage provided under:

22 (1) Chapter 1551;

23 (2) Chapter 1575;

24 (3) Chapter 1579; and

25 (4) Chapter 1601.

26 (d) Notwithstanding Section 1501.251 or any other law, this  
27 subchapter applies to coverage under a small employer health

1 benefit plan subject to Chapter 1501.

2 (e) This subchapter applies to a standard health benefit  
3 plan issued under Chapter 1507.

4 (f) To the extent allowed by federal law, the child health  
5 plan program operated under Chapter 62, Health and Safety Code, and  
6 the state Medicaid program, including the Medicaid managed care  
7 program operated under Chapter 533, Government Code, shall provide  
8 the coverage required under this subchapter to a recipient.

9 Sec. 1369.453. PRORATION OF COST-SHARING AMOUNT REQUIRED.

10 (a) A health benefit plan that provides benefits for prescription  
11 drugs shall prorate any cost-sharing amount charged for a  
12 prescription drug dispensed in a quantity that is less than a 30  
13 days' supply if:

14 (1) the pharmacy or the enrollee's prescribing  
15 physician or health care provider notifies the health benefit plan  
16 that:

17 (A) the quantity dispensed is to synchronize the  
18 dates that the pharmacy dispenses the enrollee's prescription  
19 drugs; and

20 (B) the synchronization of the dates is in the  
21 best interest of the enrollee; and

22 (2) the enrollee agrees to the synchronization.

23 (b) The proration described by Subsection (a) must be based  
24 on the number of days' supply of the drug actually dispensed.

25 Sec. 1369.454. PRORATION OF DISPENSING FEE PROHIBITED. A  
26 health benefit plan that prorates a cost-sharing amount as required  
27 by Section 1369.453 may not prorate the fee paid to the pharmacy for

1 dispensing the drug for which the cost-sharing amount was prorated.

2 Sec. 1369.455. IMPLEMENTATION OF CERTAIN MEDICATION  
3 SYNCHRONIZATION PLANS. (a) For the purposes of this section:

4 (1) "Chronic illness" means an illness or physical  
5 condition that may be:

6 (A) reasonably expected to continue for an  
7 uninterrupted period of at least three months; and

8 (B) controlled but not cured by medical  
9 treatment.

10 (2) "Medication synchronization plan" means a plan  
11 established for the purpose of synchronizing the filling or  
12 refilling of multiple prescriptions.

13 (b) A health benefit plan shall establish a process through  
14 which the following parties may jointly approve a medication  
15 synchronization plan for medication to treat an enrollee's chronic  
16 illness:

17 (1) the health benefit plan;

18 (2) the enrollee;

19 (3) the prescribing physician or health care provider;

20 and

21 (4) a pharmacist.

22 (c) A health benefit plan shall provide coverage for a  
23 medication dispensed in accordance with the dates established in  
24 the medication synchronization plan described by Subsection (b).

25 (d) A health benefit plan shall establish a process that  
26 allows a pharmacist or pharmacy to override the health benefit  
27 plan's denial of coverage for a medication described by Subsection

1 (b).

2 (e) A health benefit plan shall allow a pharmacist or  
3 pharmacy to override the health benefit plan's denial of coverage  
4 through the process described by Subsection (d), and the health  
5 benefit plan shall provide coverage for the medication if:

6 (1) the prescription for the medication is being  
7 refilled in accordance with the medication synchronization plan  
8 described by Subsection (b); and

9 (2) the reason for the denial is that the prescription  
10 is being refilled before the date established by the plan's general  
11 prescription refill guidelines.

12 SECTION 2. This Act applies only to a health benefit plan  
13 that is delivered, issued for delivery, or renewed on or after  
14 January 1, 2018. A health benefit plan delivered, issued for  
15 delivery, or renewed before January 1, 2018, is governed by the law  
16 as it existed immediately before the effective date of this Act, and  
17 that law is continued in effect for that purpose.

18 SECTION 3. This Act takes effect September 1, 2017.