By: Buckingham, et al. S.B. No. 697

(In the Senate - Filed January 31, 2017; February 15, 2017, read first time and referred to Committee on Business & Commerce; April 5, 2017, reported favorably by the following vote: Yeas 9, Nays 0; April 5, 2017, sent to printer.)

COMMITTEE VOTE

	Yea	Nay	Absent	PNV
Hancock	X			
Creighton	X			
Campbell	X			
Estes	X			
Nichols	X			
Schwertner	X			
Taylor of Galveston	X			
Whitmire	X			
Zaffirini	X			

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 offered by:

(1) an insurance company;

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

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

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

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

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

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

(8) an exchange operating under Chapter 942.

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

(c) Notwithstanding any provision in Chapter 1551, 1575, 1579, or 1601 or any other law, this subchapter applies to health

benefit plan coverage provided under:

(1) Chapter 1551;

(2) Chapter 1575;

(3) Chapter 1579; and

(4) Chapter 1601.

(d) Notwithstanding Section 1501.251 or any other law, this subchapter applies to coverage under a small employer health benefit plan subject to Chapter 1501.

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

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

Sec. 1369.453. PRORATION OF COST-SHARING AMOUNT REQUIRED. (a) A health benefit plan that provides benefits for prescription drugs shall prorate any cost-sharing amount charged for a prescription drug dispensed in a quantity that is less than a 30 days' supply if:

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

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

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

(2) the enrollee agrees to the synchronization.

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

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

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

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

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

(B) controlled but not cured by medical treatment.

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

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

(1) the health benefit plan;

(2) the enrollee;

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

(4) a pharmacist.

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

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

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

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

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

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

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

* * * * *