BILL ANALYSIS

S.B. 2051
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Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Well-managed medication reduces the symptoms of serious mental illness and allows individuals to focus on recovery, which improves quality of life and reduces costs of care. However, it has been noted that some health benefit plans may not provide coverage for the drug originally prescribed to an enrollee without some form of step therapy, in which the enrollee must first fail to successfully respond to different, sometimes cheaper drugs. S.B. 2051 seeks to remove these barriers and improve health outcomes for individuals with serious mental illness by limiting step therapy protocols to prohibit health benefit plans from requiring such enrollees either to fail to successfully respond to more than one different drug or to prove a history of failure of more than one different drug for a drug that is prescribed for the enrollee, among other provisions.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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

S.B. 2051 amends the Insurance Code to prohibit an applicable health benefit plan that provides coverage for prescription drugs to treat a serious mental illness from requiring an enrollee who is 18 years of age or older to do either of the following before the plan provides coverage of an FDA-approved drug prescribed to treat the enrollee's diagnosed serious mental illness:

- fail to successfully respond to more than one different drug for each drug prescribed, excluding the generic or pharmaceutical equivalent of the prescribed drug; or
- prove a history of failure of more than one different drug for each drug prescribed, excluding the generic or pharmaceutical equivalent of the prescribed drug.

S.B. 2051 also limits an issuer's authority to implement a step therapy protocol for these drugs. The issuer may implement such a protocol to require a trial of a generic or pharmaceutical equivalent of a prescribed prescription drug as a condition of continued coverage of the drug only once in a plan year and only if the equivalent drug is added to the plan's drug formulary.

S.B. 2051 applies only to a health benefit plan delivered, issued for delivery, or renewed on or after January 1, 2022.

EFFECTIVE DATE

September 1, 2021.