

By: Blanco

S.B. No. 166

A BILL TO BE ENTITLED

AN ACT

relating to a limit on cost-sharing requirements imposed by a health benefit plan for certain prescription insulin.

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

SECTION 1. Chapter 1358, Insurance Code, is amended by adding Subchapter C to read as follows:

SUBCHAPTER C. COST-SHARING LIMIT

Sec. 1358.101. DEFINITIONS. In this subchapter:

(1) "Insulin" means a prescription drug that contains insulin and is used to treat diabetes.

(2) "Pharmacy benefit manager" means a person, other than a pharmacy or pharmacist, who acts as an administrator in connection with pharmacy benefits.

Sec. 1358.102. 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 issued by:

(1) an insurance company;

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

- 1 (3) a health maintenance organization operating under
2 Chapter 843;
- 3 (4) an approved nonprofit health corporation that
4 holds a certificate of authority under Chapter 844;
- 5 (5) a multiple employer welfare arrangement that holds
6 a certificate of authority under Chapter 846;
- 7 (6) a stipulated premium company operating under
8 Chapter 884;
- 9 (7) a fraternal benefit society operating under
10 Chapter 885;
- 11 (8) a Lloyd's plan operating under Chapter 941; or
12 (9) an exchange operating under Chapter 942.
- 13 (b) Notwithstanding any other law, this subchapter applies
14 to:
- 15 (1) a small employer health benefit plan subject to
16 Chapter 1501, including coverage provided through a health group
17 cooperative under Subchapter B of that chapter;
- 18 (2) a standard health benefit plan issued under
19 Chapter 1507;
- 20 (3) a basic coverage plan under Chapter 1551;
21 (4) a basic plan under Chapter 1575;
22 (5) a primary care coverage plan under Chapter 1579;
23 (6) a plan providing basic coverage under Chapter
24 1601;
- 25 (7) health benefits provided by or through a church
26 benefits board under Subchapter I, Chapter 22, Business
27 Organizations Code;

1 (8) group health coverage made available by a school
2 district in accordance with Section 22.004, Education Code;

3 (9) the state Medicaid program, including the Medicaid
4 managed care program operated under Chapter 533, Government Code;

5 (10) the child health plan program under Chapter 62,
6 Health and Safety Code;

7 (11) a regional or local health care program operated
8 under Section 75.104, Health and Safety Code; and

9 (12) a self-funded health benefit plan sponsored by a
10 professional employer organization under Chapter 91, Labor Code.

11 (c) This subchapter applies to coverage under a group health
12 benefit plan provided to a resident of this state regardless of
13 whether the group policy, agreement, or contract is delivered,
14 issued for delivery, or renewed in this state.

15 Sec. 1358.103. LIMIT ON COST-SHARING REQUIREMENT. A
16 health benefit plan may not impose a cost-sharing provision for
17 insulin if the total amount the enrollee is required to pay exceeds
18 \$25 for a 30-day supply.

19 Sec. 1358.104. LIMITATION ON PHARMACY CONTRACTS. A
20 contract between a health benefit plan issuer or pharmacy benefit
21 manager and a pharmacy may not contain a provision:

22 (1) authorizing the issuer's pharmacy benefit manager
23 or the pharmacy to charge an amount for insulin greater than the
24 amount described by Section 1358.103;

25 (2) requiring the pharmacy to collect an amount for
26 insulin greater than the amount described by Section 1358.103; or

27 (3) requiring an enrollee to make a cost-sharing

1 payment for covered insulin in an amount that exceeds the amount
2 described by Section 1358.103.

3 SECTION 2. (a) Section 1358.103, Insurance Code, as added
4 by this Act, applies only to a health benefit plan that is
5 delivered, issued for delivery, or renewed on or after January 1,
6 2022. A health benefit plan delivered, issued for delivery, or
7 renewed before January 1, 2022, is governed by the law as it existed
8 immediately before the effective date of this Act, and that law is
9 continued in effect for that purpose.

10 (b) Section 1358.104, Insurance Code, as added by this Act,
11 applies only to a contract entered into or renewed on or after the
12 effective date of this Act.

13 SECTION 3. This Act takes effect September 1, 2021.