By: Schwertner S.B. No. 812

	A BILL TO BE ENTITLED
1	AN ACT
2	relating to prohibited practices for certain health benefit plan
3	issuers and pharmacy benefit managers.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	Section 1. Chapter 1369, Insurance Coded, is amended by
6	adding Subchapter K-1 to read as follows:
7	SUBCHAPTER K-1. AFFILIATED PHARMACIES
8	Sec. 1369.526. DEFINITIONS. In this subchapter:
9	(1) "Affiliated pharmacy" means a pharmacy that
10	directly, or indirectly through one or more intermediaries,
11	controls, is controlled by, or is under common control with a
12	pharmacy benefit manager.
13	(2) "Pharmacy benefit manager" has the meaning

- 14 assigned by Section 4151.151.
- 15 Sec. 1369.527. TRANSFER OR ACCEPTANCE OF CERTAIN RECORDS
- 16 PROHIBITED. (a) In this section, "commercial purpose" does not
- 17 include pharmacy reimbursement, formulary compliance,
- 18 pharmaceutical care, utilization review by a heath care provider,
- 19 or a public health activity authorized by law.
- 20 (b) A pharmacy benefit manager may not transfer to or
- 21 receive from an affiliated pharmacy a record containing patient- or
- 22 prescriber-identifiable prescription information for a commercial
- 23 purpose.
- Sec. 1369.528. PROHIBITION ON CERTAIN COMMUNICATIONS. (a)

- 1 A health benefit plan issuer or pharmacy benefit manager may not
- 2 steer or direct a patient to use an affiliated pharmacy through any
- 3 oral or written communication, including:
- 4 (1) online messaging regarding the pharmacy; or
- 5 (2) patient- or prospective patient-specific
- 6 advertising, marketing, or promotion of the pharmacy.
- 7 (b) This section does not prohibit a health benefit plan
- 8 issuer or pharmacy benefit manager from including an affiliated
- 9 pharmacy in a patient or prospective patient communication, if the
- 10 communication:
- 11 (1) is regarding information about the cost or service
- 12 Provided by pharmacies in the network of a health benefit plan in
- 13 which the patient is enrolled; and
- 14 (2) includes accurate comparable information
- 15 regarding pharmacies in the network that are not affiliated
- 16 pharmacies.
- 17 Sec. 1369.529. PROHIBITION ON CERTAIN REFERRALS AND
- 18 SOLICITATIONS. (a) A health benefit plan issuer or pharmacy
- 19 benefit manager may not require a patient to use an affiliated
- 20 pharmacy in order for the patient to receive the maximum benefit for
- 21 the service under the patient's health benefit plan.
- (b) A health benefit plan issuer or pharmacy benefit manager
- 23 may not offer or implement a health benefit plan that requires or
- 24 induces a patient to use an affiliated pharmacy, including by
- 25 providing for reduced cost-sharing if the patient uses the
- 26 affiliated pharmacy.
- 27 (c) A health benefit plan issuer or pharmacy benefit manager

S.B. No. 812

- 1 may not solicit a patient or prescriber to transfer a patient
- 2 prescription to an affiliated pharmacy.
- 3 (d) A health benefit plan issuer or pharmacy benefit manager
- 4 may not require a nonaffiliated pharmacy to transfer a patient's
- 5 prescription to an affiliated pharmacy without the prior written
- 6 consent of the patient.
- 7 <u>Section 2. This Act takes effect September 1, 2021.</u>