88R9584 KBB-D

By:  Bucy H.B. No. 5230

A BILL TO BE ENTITLED

AN ACT

relating to health benefit plan coverage of prescription drugs for serious mental illnesses and opioid and substance use disorders.

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

SECTION 1.  Chapter 1369, Insurance Code, is amended by adding Subchapter E-2 to read as follows:

SUBCHAPTER E-2. PRESCRIPTION DRUG COVERAGE FOR SERIOUS MENTAL ILLNESSES

Sec. 1369.221.  DEFINITION. In this subchapter, "serious mental illness" has the meaning assigned by Section 1355.001.

Sec. 1369.222.  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;

(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;

(8)  a Lloyd's plan operating under Chapter 941; or

(9)  an exchange operating under Chapter 942.

(b)  Notwithstanding any other law, this subchapter applies to:

(1)  a small employer health benefit plan subject to Chapter 1501, including coverage provided through a health group cooperative under Subchapter B of that chapter;

(2)  a standard health benefit plan issued under Chapter 1507;

(3)  health benefits provided by or through a church benefits board under Subchapter I, Chapter 22, Business Organizations Code;

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

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

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

Sec. 1369.223.  EXCEPTIONS TO APPLICABILITY OF SUBCHAPTER. This subchapter does not apply to an issuer or provider of health benefits under or a pharmacy benefit manager administering pharmacy benefits under:

(1)  the state Medicaid program, including the Medicaid managed care program under Chapter 533, Government Code; or

(2)  the child health plan program under Chapter 62, Health and Safety Code.

Sec. 1369.224.  PROHIBITED CONDUCT. (a) A health benefit plan that provides coverage for a serious mental illness may not require, before the health benefit plan provides coverage of a prescription drug approved by the United States Food and Drug Administration, that the enrollee:

(1)  fail to successfully respond to a different drug; or

(2)  prove a history of failure of a different drug.

(b)  This section applies only to a drug the use of which is:

(1)  prescribed by a physician or other health care provider for the serious mental illness;

(2)  determined by the prescribing physician or health care provider in consultation with the enrollee as the most appropriate course of treatment for the serious mental illness; and

(3)  approved by the United States Food and Drug Administration.

(c)  This section applies only to a drug prescribed to an enrollee who is 18 years of age or older.

(d)  This section does not affect a pharmacist's authority to substitute a generic equivalent or one or more interchangeable biological products under Section 562.008, Occupations Code, for a prescription drug prescribed for a serious mental illness.

SECTION 2.  Chapter 1369, Insurance Code, is amended by adding Subchapter E-3 to read as follows:

SUBCHAPTER E-3. COVERAGE OF MEDICATION-ASSISTED TREATMENT FOR OPIOID OR SUBSTANCE USE DISORDER

Sec. 1369.231.  DEFINITION. In this subchapter, "medication-assisted opioid or substance use disorder treatment" means the use of methadone, buprenorphine, oral buprenorphine/naloxone, or naltrexone to treat opioid or substance use disorder.

Sec. 1369.232.  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;

(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;

(8)  a Lloyd's plan operating under Chapter 941; or

(9)  an exchange operating under Chapter 942.

(b)  Notwithstanding any other law, this subchapter applies to:

(1)  a small employer health benefit plan subject to Chapter 1501, including coverage provided through a health group cooperative under Subchapter B of that chapter;

(2)  a standard health benefit plan issued under Chapter 1507;

(3)  nonprofit agricultural organization health benefits offered by a nonprofit agricultural organization under Chapter 1682;

(4)  alternative health benefit coverage offered by a subsidiary of the Texas Mutual Insurance Company under Subchapter M, Chapter 2054;

(5)  health benefits provided by or through a church benefits board under Subchapter I, Chapter 22, Business Organizations Code;

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

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

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

Sec. 1369.233.  EXCEPTIONS TO APPLICABILITY OF SUBCHAPTER. This subchapter does not apply to an issuer or provider of health benefits under or a pharmacy benefit manager administering pharmacy benefits under:

(1)  the state Medicaid program, including the Medicaid managed care program under Chapter 533, Government Code; or

(2)  the child health plan program under Chapter 62, Health and Safety Code.

Sec. 1369.234.  LIMITATIONS ON PRIOR AUTHORIZATION. A health benefit plan that provides coverage for medication-assisted opioid or substance use disorder treatment may not require an enrollee to obtain prior authorization for the treatment, except as needed to minimize the opportunity for fraud, waste, and abuse.

SECTION 3.  Section 32.03115(e), Human Resources Code, is repealed.

SECTION 4.  This Act applies only to a health benefit plan delivered, issued for delivery, or renewed on or after January 1, 2024. A health benefit plan delivered, issued for delivery, or renewed before January 1, 2024, 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 5.  This Act takes effect September 1, 2023.