

By: Frank

H.B. No. 3413

A BILL TO BE ENTITLED

AN ACT

relating to limitations on use of certain pharmacy benefit managers.

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

SECTION 1. Subchapter D, Chapter 4151, Insurance Code, is amended by adding Section 4151.155 to read as follows:

Sec. 4151.155. PROHIBITION ON REQUIRING THE USE OF CERTAIN PHARMACY BENEFIT MANAGERS. (a) If a health benefit plan has an ownership or investment interest (which may be through equity, debt, or other means) in a pharmacy benefit manager, then the health benefit plan may not require the use of such pharmacy benefit manager for the administering of pharmacy benefit services offered under, or in conjunction with, the health benefit plan.

SECTION 2. Subchapter D, Chapter 4151, Insurance Code is amended by adding Sec. 4151.156, Insurance Code, to read as follows:

Sec. 4151.156. APPLICABILITY OF SECTION. (a) Section 4151.155 of 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 individual, group, blanket, or group hospital service contract, or an individual or group evidence of coverage or similar coverage document that is offered by:

(1) an insurance company;

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

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

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

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

9 (6) a stipulated premium company operation under
10 Chapter 884;

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

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

14 (9) an exchange operating under Chapter 942.

15 (b) Notwithstanding any other law, the subchapter applies
16 to:

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

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

22 (3) group health coverage made available by a school
23 district in accordance with Section 22.004, Education Code;

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

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

- (6) a basic coverage plan under Chapter 1551;
- (7) a basic plan under Chapter 1575;
- (8) a coverage plan under Chapter 1579; and
- (9) a plan providing basic coverage under Chapter 1601.

SECTION 3. Sections 4151.155 and 4151.156, Subchapter D, Chapter 4151, Insurance Code as added by this Act, apply only to a health benefit plan that is delivered, issued for delivery, or renewed on or after January 1, 2024.

SECTION 4. This Act takes effect September 1, 2023.