

BILL ANALYSIS

S.B. 1098
By: Blanco
Public Health
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The bill sponsor has informed the committee that a 2024 AARP report on prescription drug costs from 2006 to 2020 found that average annual price increases for commonly used specialty medications have consistently outpaced the general inflation rate and that as a result of such, patients now pay three-and-a half times more for medications than before. The bill sponsor has further informed the committee that a contributing factor to higher costs is overpayment at the point of sale, when a patient's copayment exceeds the actual cost of the medication, with the insurer or pharmacy benefit manager keeping the difference. A study published in the *Journal of the American Medical Association* found that 23 percent of all prescriptions and 28 percent of generic drugs involved copay overpayments and that the average overpayment for generic drugs was \$7.32 per prescription and \$13.46 per brand-name drugs. S.B. 1098 seeks to address these overpayments by requiring pharmacists to disclose the lowest cash price available at their pharmacy for each drug prescribed to a patient.

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. 1098 amends the Occupations Code to require a pharmacy to disclose the lowest cost cash price at that pharmacy for the drug or biological product prescribed to a patient.

EFFECTIVE DATE

September 1, 2025.