

By: Schwertner

S.B. No. 1122

A BILL TO BE ENTITLED

AN ACT

relating to applicability of certain prescription drug insurance laws to health benefit plans and pharmacy benefit managers.

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

SECTION 1. Subchapter L, Chapter 1369, Insurance Code, is amended by adding Section 1369.5515 to read as follows:

Sec. 1369.5515. APPLICABILITY OF SUBCHAPTER. (a) Except as provided by this subsection, a pharmacy benefit manager must comply with the provisions of this subchapter with respect to each health benefit plan administered by the pharmacy benefit manager, regardless of whether a provision of this subchapter is specifically made applicable to the plan. A pharmacy benefit manager is not required to comply with a provision of this subchapter with respect to a plan expressly excluded by this subchapter from the applicability of the provision.

(b) This subchapter applies to a health benefit plan provided to a resident of this state, regardless of whether the plan, policy, agreement, or contract is delivered, issued for delivery, or renewed within or outside this state and to the pharmacy benefit manager for that plan.

SECTION 2. Section 1369.602, Insurance Code, is amended by adding Subsections (d) and (e) to read as follows:

(d) Except as provided by this subsection, a pharmacy benefit manager must comply with the provisions of this subchapter

1 with respect to each health benefit plan administered by the
2 pharmacy benefit manager, regardless of whether a provision of this
3 subchapter is specifically made applicable to the plan. A pharmacy
4 benefit manager is not required to comply with a provision of this
5 subchapter with respect to a plan expressly excluded by this
6 subchapter from the applicability of the provision.

7 (e) This subchapter applies to a health benefit plan
8 provided to a resident of this state, regardless of whether the
9 plan, policy, agreement, or contract is delivered, issued for
10 delivery, or renewed within or outside this state and to the
11 pharmacy benefit manager for that plan.

12 SECTION 3. As soon as practicable after the effective date
13 of this Act, the commissioner of insurance shall repeal all rules
14 that are inconsistent with the changes in law made by this Act.

15 SECTION 4. The changes in law made by this Act apply only to
16 a health benefit plan that is delivered, issued for delivery, or
17 renewed on or after January 1, 2026. A health benefit plan
18 delivered, issued for delivery, or renewed before January 1, 2026,
19 is governed by the law as it existed immediately before the
20 effective date of this Act, and that law is continued in effect for
21 that purpose.

22 SECTION 5. This Act takes effect September 1, 2025.