

By: Menéndez

S.B. No. 1274

A BILL TO BE ENTITLED

1 AN ACT
2 relating to prior authorization for prescription drug benefits
3 related to the prevention of human immunodeficiency virus
4 infections.

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

6 SECTION 1. Chapter 1369, Insurance Code, is amended by
7 adding Subchapter P to read as follows:

8 SUBCHAPTER P. COVERAGE OF PRESCRIPTION DRUGS FOR PREVENTING HUMAN
9 IMMUNODEFICIENCY VIRUS INFECTION

10 Sec. 1369.751. DEFINITION. In this subchapter,
11 "prescription drug" has the meaning assigned by Section 551.003,
12 Occupations Code.

13 Sec. 1369.752. APPLICABILITY OF SUBCHAPTER. (a) This
14 subchapter applies only to a health benefit plan that provides
15 benefits for medical, surgical, or prescription drug expenses
16 incurred as a result of a health condition, accident, or sickness,
17 including an individual, group, blanket, or franchise insurance
18 policy or insurance agreement, a group hospital service contract,
19 or an individual or group evidence of coverage or similar coverage
20 document that is issued by:

- 21 (1) an insurance company;
22 (2) a group hospital service corporation operating
23 under Chapter 842;
24 (3) a health maintenance organization operating under

1 Chapter 843;

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

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

6 (6) a stipulated premium company operating under
7 Chapter 884;

8 (7) a fraternal benefit society operating under
9 Chapter 885;

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

11 (9) an exchange operating under Chapter 942.

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

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

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

19 (3) a basic coverage plan under Chapter 1551;

20 (4) a basic plan under Chapter 1575;

21 (5) a primary care coverage plan under Chapter 1579;

22 (6) a plan providing basic coverage under Chapter
23 1601;

24 (7) the state Medicaid program, including the Medicaid
25 managed care program operated under Chapter 540, Government Code;

26 (8) the child health plan program under Chapter 62,
27 Health and Safety Code;

1 (9) a self-funded health benefit plan sponsored by a
2 professional employer organization under Chapter 91, Labor Code;

3 (10) county employee group health benefits provided
4 under Chapter 157, Local Government Code; and

5 (11) health and accident coverage provided by a risk
6 pool created under Chapter 172, Local Government Code.

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

11 Sec. 1369.753. EXCEPTION. This subchapter does not apply
12 to an individual health benefit plan issued on or before March 23,
13 2010, that has not had any significant changes since that date that
14 reduce benefits or increase costs to the individual.

15 Sec. 1369.754. PROHIBITION ON PRIOR AUTHORIZATION. A
16 health benefit plan issuer that provides prescription drug benefits
17 may not require an enrollee to receive a prior authorization of the
18 prescription drug benefit for a prescription drug prescribed to
19 prevent human immunodeficiency virus infection.

20 SECTION 2. If before implementing any provision of this Act
21 a state agency determines that a waiver or authorization from a
22 federal agency is necessary for implementation of that provision,
23 the agency affected by the provision shall request the waiver or
24 authorization and may delay implementing that provision until the
25 waiver or authorization is granted.

26 SECTION 3. The changes in law made by this Act apply only to
27 a health benefit plan delivered, issued for delivery, or renewed on

1 or after January 1, 2026.

2 SECTION 4. This Act takes effect September 1, 2025.