By: Creighton S.B. No. 270

A BILL TO BE ENTITLED

| Τ | AN ACT |
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| 2 | relating to health benefit plan coverage for abuse-deterrent opioid |
| 3 | analgesic drugs. |
| 4 | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: |
| 5 | SECTION 1. Chapter 1369, Insurance Code, is amended by |
| 6 | adding Subchapter J to read as follows: |
| 7 | SUBCHAPTER J. COVERAGE FOR ABUSE-DETERRENT OPIOID ANALGESIC DRUGS |
| 8 | Sec. 1369.451. DEFINITIONS. In this subchapter: |
| 9 | (1) "Abuse-deterrent opioid analgesic drug" means an |
| 10 | opioid analgesic drug that the United States Food and Drug |
| 11 | Administration has approved and for which the United States Food |
| 12 | and Drug Administration has approved abuse-deterrence labeling |
| 13 | that indicates the drug is expected to result in a meaningful |
| 14 | reduction in abuse. |
| 15 | (2) "Opioid analgesic drug" means a drug in the opioid |
| 16 | analgesic drug class that: |
| 17 | (A) is prescribed to treat moderate to severe |
| 18 | <pre>pain or other conditions; and</pre> |
| 19 | (B) may be: |
| 20 | (i) in an immediate-release or |
| 21 | extended-release form of the drug; |
| 22 | (ii) a single component drug; or |
| 23 | (iii) in combination with another drug. |
| 24 | Sec. 1369.452. APPLICABILITY OF SUBCHAPTER. (a) This |

- 1 subchapter applies only to a health benefit plan that provides
- 2 benefits for medical or surgical expenses incurred as a result of a
- 3 health condition, accident, or sickness, including an individual,
- 4 group, blanket, or franchise insurance policy or insurance
- 5 agreement, a group hospital service contract, or an individual or
- 6 group evidence of coverage or similar coverage document that is
- 7 <u>offered by:</u>
- 8 <u>(1) an insurance company;</u>
- 9 (2) a group hospital service corporation operating
- 10 under Chapter 842;
- 11 (3) a fraternal benefit society operating under
- 12 Chapter 885;
- 13 (4) a stipulated premium company operating under
- 14 Chapter 884;
- 15 (5) a reciprocal exchange operating under Chapter 942;
- 16 (6) a health maintenance organization operating under
- 17 Chapter 843;
- 18 (7) a multiple employer welfare arrangement that holds
- 19 a certificate of authority under Chapter 846; or
- 20 (8) an approved nonprofit health corporation that
- 21 holds a certificate of authority under Chapter 844.
- (b) Notwithstanding Section 1501.251 or any other law, this
- 23 <u>subchapter applies to a small employer health benefit plan subject</u>
- 24 to Chapter 1501.
- (c) Notwithstanding any other law, a standard health
- 26 benefit plan provided under Chapter 1507 must provide the coverage
- 27 required by this subchapter.

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| 1 | Sec. 1369.453. EXCEPTIONS. (a) This subchapter does not |
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| 2 | apply to: |
| 3 | (1) a health benefit plan that provides coverage only: |
| 4 | (A) for a specified disease or for another |
| 5 | limited benefit other than for cancer; |
| 6 | (B) for accidental death or dismemberment; |
| 7 | (C) for wages or payments in lieu of wages for a |
| 8 | period during which an employee is absent from work because of |
| 9 | sickness or injury; |
| 10 | (D) as a supplement to a liability insurance |
| 11 | <pre>policy;</pre> |
| 12 | (E) for credit insurance; |
| 13 | (F) for dental or vision care; or |
| 14 | (G) for indemnity for hospital confinement; |
| 15 | (2) a Medicare supplemental policy as defined by |
| 16 | Section 1882(g)(1), Social Security Act (42 U.S.C. Section 1395ss); |
| 17 | (3) a workers' compensation insurance policy; |
| 18 | (4) medical payment insurance coverage provided under |
| 19 | a motor vehicle insurance policy; or |
| 20 | (5) a long-term care insurance policy, including a |
| 21 | nursing home fixed indemnity policy, unless the commissioner |
| 22 | determines that the policy provides benefit coverage so |
| 23 | comprehensive that the policy is a health benefit plan as described |
| 24 | by Section 1369.452. |
| 25 | (b) This subchapter does not apply to: |
| 26 | (1) the Medicaid managed care program operated under |
| 27 | Chanter 533 Covernment Code: |

- 1 (2) the Medicaid program operated under Chapter 32,
- 2 Human Resources Code; or
- 3 (3) the child health plan program operated under
- 4 Chapter 62, Health and Safety Code.
- 5 Sec. 1369.454. REQUIRED COVERAGE FOR ABUSE-DETERRENT
- 6 OPIOID ANALGESIC DRUGS. (a) A health benefit plan must provide
- 7 <u>coverage for abuse-deterrent opioid analgesic drugs.</u>
- 8 (b) A health benefit plan issuer may not reduce or limit a
- 9 payment to a health care professional, or otherwise penalize the
- 10 professional, because the professional prescribes or dispenses an
- 11 abuse-deterrent opioid analgesic drug.
- 12 Sec. 1369.455. PRIOR AUTHORIZATION. (a) A health benefit
- 13 plan may require prior authorization for an abuse-deterrent opioid
- 14 analgesic drug in the same manner that the health benefit plan
- 15 requires prior authorization for an opioid analgesic drug that does
- 16 <u>not have abuse-deterrent properties.</u>
- 17 (b) A health benefit plan may not require an enrollee to use
- 18 an opioid analgesic drug that does not have abuse-deterrent
- 19 properties before prior authorization for an abuse-deterrent
- 20 opioid analgesic drug may be given.
- 21 SECTION 2. Subchapter J, Chapter 1369, Insurance Code, as
- 22 added by this Act, applies only to a health benefit plan that is
- 23 delivered, issued for delivery, or renewed on or after January 1,
- 24 2018. A health benefit plan that is delivered, issued for delivery,
- 25 or renewed before January 1, 2018, is covered by the law as it
- 26 existed immediately before the effective date of this Act, and that
- 27 law is continued in effect for that purpose.

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1 SECTION 3. This Act takes effect September 1, 2017.