

BILL ANALYSIS

Senate Research Center
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S.B. 1237
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Economic Development
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DIGEST

Currently, under Texas law, insurers are not required to include standardized information on enrollees' pharmacy identification cards. This bill would require health benefit plans to provide uniform pharmacy identification cards for each enrollee, to include certain standardized information.

PURPOSE

As proposed, S.B. 1237 requires health benefit plans to provide uniform pharmacy identification cards for each enrollee which includes certain standardized information.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the insurance commissioner in SECTION 2 (Section 19A(b), Article 21.07-6, Insurance Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1(1), Article 21.07-6, Insurance Code, to redefine "administrator."

SECTION 2. Amends Article 21.07-6, Insurance Code, by adding Section 19A, as follows:

Sec. 19A. IDENTIFICATION CARDS FOR CERTAIN PLANS. Requires an administrator for a plan that provides pharmacy benefits to issue an identification card to each individual covered by the plan. Requires the insurance commissioner (commissioner) by rule to adopt a standard form for the identification card. Requires the standard form to include certain information.

SECTION 3. Amends Section 24, Article 21.07-6, Insurance Code, as follows:

Sec. 24. New heading: APPLICATION TO CERTAIN INSURERS AND HEALTH MAINTENANCE ORGANIZATIONS; APPLICATION TO PHARMACY BENEFIT MANAGEMENT. Requires an insurer or health maintenance organization (HMO), and any subsidiary, division, affiliate, or agent of the insurer or HMO, that acts as an administrator with respect to pharmacy benefits to comply with this article. Provides that the exemptions granted to an insurer or HMO under Section 1(1) (C) or (D) of this article do not apply to the extent the insurer or HMO, or any subsidiary, division, affiliate, or agent of the insurer or HMO, acts as an administrator with respect to pharmacy benefits.

SECTION 4. Effective date: September 1, 1999.

SECTION 5. (a) Makes application of this Act prospective, with regard to a person acting as an administrator, with respect to pharmacy benefits on or after January 1, 2000. (b) Provides that an administrator is not required to provide an identification card to an individual, as required, before January 1, 2000.

SECTION 6. Emergency clause.