

BILL ANALYSIS

Senate Research Center
79R5745 PB-D

S.B. 720
By: Deuell
State Affairs
3/15/2005
As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Current law allows an out-of-state pharmacy operation to have an overall facility license but does not require individual pharmacists to be licensed in order to fulfill counseling requirements. Nearly every state, including Texas, has patient counseling laws, which are enforced by each state's board of pharmacy. A problem arises as a result because out-of-state mail order pharmacies that mail prescriptions into Texas are not regulated by the laws of the State of Texas. As proposed, S.B. 720 allows oversight by the State of Texas for out-of-state pharmacists doing business in Texas which will be commensurate with the level applied to pharmacists currently licensed and practicing within the state.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter E, Chapter 1551, Insurance Code, by adding Section 1551.2196, as follows:

Sec. 1551.2196. **REQUIRED PATIENT COUNSELING ON MAIL ORDER PRESCRIPTION PLANS.** (a) Defines "patient counseling."

(b) Requires the board of trustees or a health benefit plan issuer that provides pharmacy benefits under a coverage plan through a mail order prescription plan to ensure that patient counseling from a pharmacist licensed by the Texas State Board of Pharmacy is available to each participant in the group benefits program who receives pharmacy benefits for more than one prescription through the mail order prescription plan.

(c) Provides that a health benefit plan issuer who violates Subsection (b) is subject to sanctions as provided by Chapter 82 (Sanctions).

SECTION 2. Amends Subchapter D, Chapter 1575, Insurance Code, by adding Section 1575.168, as follows:

Sec. 1575.168. **REQUIRED PATIENT COUNSELING ON MAIL ORDER PRESCRIPTION PLANS.** (a) Defines "patient counseling."

(b) Requires the trustee or a health benefit plan issuer that provides pharmacy benefits under a coverage plan through a mail order prescription plan to ensure that patient counseling from a pharmacist licensed by the Texas State Board of Pharmacy is available to each participant in the group benefits program who receives pharmacy benefits for more than one prescription through the mail order prescription plan.

(c) Provides that a health benefit plan issuer who violates Subsection (b) is subject to sanctions as provided by Chapter 82 (Sanctions).

SECTION 3. Amends Subchapter C, Chapter 1579, Insurance Code, by adding Section 1579.108, as follows:

Sec. 1579.108. REQUIRED PATIENT COUNSELING ON MAIL ORDER PRESCRIPTION PLANS. (a) Defines "patient counseling."

(b) Requires the trustee or a health coverage plan issuer that provides pharmacy benefits under a coverage plan through a mail order prescription plan to ensure that patient counseling from a pharmacist licensed by the Texas State Board of Pharmacy is available to each participant in the group benefits program who receives pharmacy benefits for more than one prescription through the mail order prescription plan.

(c) Provides that a health coverage plan issuer who violates Subsection (b) is subject to sanctions as provided by Chapter 82 (Sanctions).

SECTION 4. Makes application of this Act prospective to the 2005-2006 plan year.

SECTION 5. Effective date: September 1, 2005.