

BILL ANALYSIS

Senate Research Center
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H.B. 2505
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Business & Commerce
5/20/2015
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 2505 amends current law relating to health benefit plan coverage for abuse-deterrent opioid analgesic drugs.

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 Chapter 1369, Insurance Code, by adding Subchapter H, as follows:

SUBCHAPTER H. COVERAGE FOR ABUSE-DETERRENT OPIOID ANALGESIC DRUGS

Sec. 1369.351. DEFINITIONS. Defines "abuse-deterrent opioid analgesic drug" and "opioid analgesic drug."

Sec. 1369.352. APPLICABILITY OF SUBCHAPTER. (a) Provides that this subchapter applies only to a health benefit plan, including a small employer health benefit plan written under Chapter 1501 (Health Insurance Portability and Availability Act), Insurance Code, that provides benefits for medical or surgical expenses incurred as a result of a health condition, accident, or sickness, including an individual, group, blanket, or franchise insurance policy or insurance agreement, a group hospital service contract, or an individual or group evidence of coverage or similar coverage document that is offered by the entities and healthcare exchanges set forth in this subsection.

(b) Provides that, notwithstanding Section 1501.251 (Exception from Certain Mandated Benefit Requirements), Insurance Code, or any other law, this subchapter applies to a small employer health benefit plan subject to Chapter 1501.

(c) Provides that, notwithstanding Sections 1507.004 (Standard Health Benefit Plans Authorized; Minimum Requirement) and 1507.053 (State-Mandated Health Benefits), Insurance Code, or any other law, this subchapter applies to a consumer choice of benefits plan issued under Chapter 1507 (Consumer Choice of Benefits Plans), Insurance Code.

Sec. 1369.353. EXCEPTIONS; APPLICATION TO QUALIFIED HEALTH PLAN. (a) Provides that this subchapter does not apply to:

(1) a health benefit plan that provides coverage only:

(A) for a specified disease or for another limited benefit other than for cancer;

(B) for accidental death or dismemberment;

(C) for wages or payments in lieu of wages for a period during which an employee is absent from work because of sickness or injury;

(D) as a supplement to a liability insurance policy;

(E) for credit insurance;

(F) for dental or vision care; or

(G) for indemnity for hospital confinement;

(2) a Medicare supplemental policy as defined by Section 1882(g)(1), Social Security Act (42 U.S.C. Section 1395ss), as amended;

(3) a workers' compensation insurance policy;

(4) medical payment insurance coverage provided under a motor vehicle insurance policy; or

(5) a long-term care insurance policy, including a nursing home fixed indemnity policy, unless the commissioner of insurance (commissioner) determines that the policy provides benefit coverage so comprehensive that the policy is a health benefit plan as described by Section 1369.102 (Applicability of Subchapter), Insurance Code.

(b) Provides that this subchapter does not apply to:

(1) a Medicaid managed care program operated under Chapter 533 (Implementation of Medicaid Managed Care Program), Government Code;

(2) a Medicaid program operated under Chapter 32 (Medical Assistance Program), Human Resources Code; or

(3) the state child health plan operated under Chapter 62 (Child Health Plan for Certain Low-Income Children) or 63 (Health Benefits Plan for Certain Children), Health and Safety Code.

(c) Provides that, to the extent that providing coverage for abuse-deterrent opioid analgesic drugs under this section would otherwise require this state to make a payment under 42 U.S.C. Section 18031(d)(3)(B)(ii), a qualified health plan, as defined by 45 C.F.R. Section 155.20, is not required to provide a benefit for the drugs under this section that exceeds the specified essential health benefits required under 42 U.S.C. Section 18022(b).

Sec. 1369.354. REQUIRED COVERAGE FOR ABUSE-DETERRENT OPIOID ANALGESIC DRUGS. (a) Requires that a health benefit plan provide coverage for abuse-deterrent opioid analgesic drugs.

(b) Prohibits a health benefit plan issuer from reducing or limiting a payment to a health care professional, or otherwise penalizing the professional, because the professional prescribes or dispenses an abuse-deterrent opioid analgesic drug.

(c) Provides that nothing in this section may be construed to authorize a health care professional to dispense a drug.

Sec. 1369.355. PRIOR AUTHORIZATION. (a) Authorizes a health benefit plan to require prior authorization for an abuse-deterrent opioid analgesic drug if the health

benefit plan requires prior authorization for versions of the opioid analgesic drug that do not have abuse-deterrent properties.

(b) Prohibits a health benefit plan from requiring an enrollee to use an opioid analgesic drug that does not have abuse-deterrent properties before prior authorization for an abuse-deterrent opioid analgesic drug may be given.

SECTION 2. Provides that Subchapter H, Chapter 1369, Insurance Code, as added by this Act, applies only to a health benefit plan that is delivered, issued for delivery, or renewed on or after January 1, 2016. Provides that a health benefit plan that is delivered, issued for delivery, or renewed before January 1, 2016, is covered by the law in effect at the time the plan was delivered, issued for delivery, or renewed, and that law is continued in effect for that purpose.

SECTION 3. Effective date: September 1, 2015.