

BILL ANALYSIS

Senate Research Center
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S.B. 1346
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State Affairs
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 1346 requires state agencies to share contract and pricing information about group health benefit plans, as they already do for pharmacy benefit manager services.

S.B. 1346 is part of the recommendations from the Finance Committee's health care cost-containment workgroup, which was tasked with examining health care programs across budget articles to identify best practices. The workgroup focused on finding savings and efficiencies within the following agencies: Employees Retirement System of Texas, Health and Human Services Commission, Teacher Retirement System of Texas, and Texas Department of Criminal Justice.

As part of the workgroup discussion, the agencies identified an opportunity to share contract and pricing information about group health benefit plans to ensure all state agencies are getting the best deal for taxpayers and beneficiaries.

State law already requires agencies to share their contracts and pricing information for pharmacy benefit manager services, if requested by another agency.

As proposed, S.B. 1346 amends current law relating to disclosure of state agency contract information regarding administrator services for group health benefit plans.

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 the heading to Subchapter H, Chapter 2158, Government Code, to read as follows:

SUBCHAPTER H. PURCHASE OF PHARMACY BENEFIT MANAGER SERVICES OR OF ADMINISTRATOR SERVICES FOR GROUP HEALTH BENEFIT PLAN

SECTION 2. Amends Section 2158.401(b), Government Code, to provide that this subchapter applies in relation to a state agency contract or proposed contract for pharmacy benefit manager services or for services as an administrator for a group health benefit plan without regard to whether the contract or proposed contract is otherwise subject to this subtitle (State Purchasing and General Services).

SECTION 3. Amends Section 2158.402, Government Code, by amending Subsections (a) and (b) and by adding Subsections (a-1) and (d), as follows:

(a) Requires a state agency on request of another state agency to disclose information relating to the amounts charged by:

(1) creates this subdivision from existing text and makes a nonsubstantive change to this subdivision; or

(2) an administrator of a health benefit plan for services provided for a group health benefit plan and other requested pricing information related to a contract for administrator services for a group health benefit plan.

(a-1) Creates this subsection from existing text and makes no further changes to this subsection.

(b) Provides that Subsection (a) does not require a state agency to disclose information the agency is specifically prohibited from disclosing under a contract with a pharmacy benefit manager executed before September 1, 2009, or an administrator for a health benefit plan executed before September 1, 2017.

(d) Prohibits a contract entered, amended, or extended on or after September 1, 2017, from containing a provision that prohibits a state agency from disclosing under this subchapter information on the amounts charged by an administrator for a health benefit plan for services provided for a group health benefit plan or from disclosing under this subchapter other pricing information related to the contract.

SECTION 4. Effective date: September 1, 2017.