

88R2376 CJD-D

By: Shaheen

H.B. No. 605

A BILL TO BE ENTITLED

AN ACT

relating to the disclosure of negotiated rates requested by members of the legislature from certain health care vendors that contract with this state.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter Z, Chapter 2252, Government Code, is amended by adding Section 2252.909 to read as follows:

Sec. 2252.909. LEGISLATIVE REQUEST FOR NEGOTIATED RATES UNDER CERTAIN HEALTH BENEFIT CONTRACTS. (a) In this section, "health care vendor" means:

(1) a health benefit plan issuer that contracts with this state for the administration of health benefits; and

(2) a managed care organization that contracts with the Health and Human Services Commission to administer health benefits for Medicaid recipients through a managed care plan.

(b) This section applies only to a health care vendor that contracts with this state, including with an agency of this state, to administer health benefits under:

(1) a basic coverage plan under Chapter 1551, Insurance

Code;

(2) a basic plan under Chapter 1575, Insurance Code;

(3) a primary care coverage plan under Chapter 1579,

Insurance Code;

(4) a plan providing basic coverage under Chapter 1601,

Insurance Code; or

(5) the state Medicaid program, including the Medicaid managed care program operated under Chapter 533.

(c) A member of the legislature may request from the applicable agency information regarding any negotiated rate included in a contract between a health care vendor and this state for the administration of health benefits.

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(d) An agency may request information from a health care vendor if it does not have information necessary to fulfill a request under Subsection (c).

(e) A member of the legislature may request from a health care vendor the information described by Subsection (c) if the applicable agency fails to respond to the information request.

Commented [1]: The sections above would allow legislators to make requests of agencies. The following two sections allow the agency to serve as a "traffic cop" to direct requests to the appropriate plan. Subsection (d) would clarify that an agency may request information from health care vendors if they do not have the information necessary to make the request. Subsection (e) would then say, if an agency fails to respond to a request, the legislator may request the information directly from the health care vendor.

(f) On receipt of a written request for information under Subsections (d) or (e), the health care vendor shall provide the requested information to the agency or member of the legislature who submitted the request.

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(e) A health care vendor, by providing information under

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this section that is confidential or otherwise excepted from required disclosure under law, does not waive or affect the confidentiality of the information for purposes of state or federal law or waive the right to assert exceptions to required disclosure of the information in the future.

(f) A member of the legislature or legislative staff who receives information from an agency or health care vendor under this section may not disclose that information to any person who does not have a right to access that information under this section.

(g) All provisions of this section must comply with Section 572.051 and Section 552.008 of the Government Code.

SECTION 2. Section 531.071, Government Code, is amended by adding Subsection (e) to read as follows:

(e) Nothing in this section shall prohibit a member of the legislature from receiving information related to drug rebates, pricing, and negotiations upon request to the commission.

SECTION 3. Section 2252.909, Government Code, as added by this Act, applies only to a health care vendor that enters into or renews a contract with the State of Texas on or after the effective date of this Act.

SECTION 4. This Act takes effect September 1, 2023.

Commented [2]: In an effort to bolster the existing correlation between legislative requests and applicable standards of conduct and ethics policies, we recommend references to compliance with Section 572.051 and Section 552.008 of the Texas Government Code.

Commented [3]: Section 531.071 of the Texas Government Code prohibits the release of Medicaid drug rebates, pricing, and negotiations from being released to anyone—including legislators. Based on expressed intent, we recommend adding an exception to this statute for legislators.

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