



June 27, 2023

Cassie Brown  
Insurance Commissioner  
Texas Department of Insurance  
1601 Congress Avenue  
Austin, TX 78701

Sent via electronic mail

Dear Commissioner Brown:

Re: Subchapter B-2 of Chapter 1369, Insurance Code added by Senate Bill 622

The National Council for Prescription Drug Programs (NCPDP) is a not-for-profit American National Standards Institute (ANSI) Accredited Standards Developer (ASD) consisting of more than 1,500 members representing entities including, but not limited to, claims processors, data management and analysis vendors, federal and state government agencies, insurers, intermediaries, pharmaceutical manufacturers, pharmacies, pharmacy benefit managers, professional services organizations, software and system vendors and other parties interested in electronic standardization within the pharmacy services sector of the healthcare industry. NCPDP provides a forum wherein our diverse membership can develop business solutions, including ANSI-accredited standards and guidance for promoting information exchanges related to medications, supplies and services within the healthcare system. For over 40 years, NCPDP has been committed to furthering the electronic exchange of information between healthcare stakeholders.

NCPDP is writing to provide information to you about its Real-Time Prescription Benefit (RTPB) Standard and how it relates to the intent of the above referenced subchapter and a conflict with the definition of standard Application Programming Interface (API) in the subchapter. While the NCPDP RTPB Standard provides the transparency the subchapter is seeking, the API definition referenced is not in alignment with the NCPDP RTPB Standard which supports providing patient out-of-pocket costs and other information the statute is requiring at the point of prescribing.

**NCPDP RTPB Standard**

NCPDP developed the RTPB Standard to enable the real-time exchange of patient-specific formulary and benefit information between providers/prescribers and pharmacy benefit managers (PBMs)/processors. The RTPB standard contains two different syntaxes, Extensible Markup Language (XML) and Electronic Data Interchange (EDI). NCPDP's Member Source™ API solutions can be implemented to comply with NCPDP's operating rules to support the XML format of RTPB with REST and SOAP protocols.

NCPDP's RTPB Standard and Member Source™ API solutions support the requirements in the recent addition of Subchapter B-2 to Chapter 1369, Insurance Code:

*b) A health benefit plan issuer that covers prescription drugs shall provide information regarding a covered prescription drug to an enrollee or the enrollee's prescribing provider on request. The information provided must include the issuer's drug formulary and, for the prescription drug and any formulary alternative:*

- (1) the enrollee's eligibility;*
- (2) cost-sharing information, including any deductible, copayment, or coinsurance, which must:*
  - (A) be consistent with cost-sharing requirements under the enrollee's plan;*
  - (B) be accurate at the time the cost-sharing information is provided; and*
  - (C) include any variance in cost-sharing based on the patient's preferred dispensing retail or mail-order pharmacy or the prescribing provider; and*
- (3) applicable utilization management requirements.*
- (c) In providing the information required under Subsection (b), a health benefit plan issuer shall:*
  - (1) respond in real time to a request made through a standard API;*

The RTPB Standard request transaction may be submitted to any processor with an Issuer Identification Number (IIN) and allows for the transmission of information about the patient, their insurance identifiers, a product, the prescriber, the patient's preferred pharmacy and any diagnosis code.

The response transaction has been designed to provide information about the patient's eligibility and the preferred pharmacy's network participation status. For the submitted product, information is provided regarding its coverage status, any coverage restrictions and estimated patient financial responsibility amount for the pharmacy on the request as well as up five alternative pharmacies. The response also supports information about up to ten alternative products. In addition, to the estimated financial responsibility, the estimated plan cost or estimated combined plan and patient savings may also be communicated when allowed by the plan.

On December 14, 2022, the Centers for Medicare & Medicaid Services released a Notice of Proposed Rulemaking (NPRM) CMS-4201-P that put forth a proposal to adopt Version 12 of the NCPDP RTPB Standard as the standard for prescriber real-time benefit tools. Additionally, the Office of the National Coordinator for Health Information Technology has expressed their intention to consider the adoption of and reference to NCPDP's RTPB Standard as part of a potential establishment of a real-time prescription benefit health IT certification criterion in their Health Data, Technology, and Interoperability: Certification Program Updates, Algorithm Transparency, and Information Sharing NPRM.

However, in Subchapter B-2 of Chapter 1369 of the Insurance Code, the definition for standard API "means an application interface that is standardized for vendors to conform to in order to access the information pursuant to Section 170.215 of Title 45 of the Code of Federal Regulations" and the Federal Code only references HL7® FHIR® solutions. The implementation guides and resources of HL7® FHIR® mentioned in the Federal Code do not meet all the requirements outlined in the newly added Subchapter B-2 of Chapter 1369 of the Insurance Code. Consequently, implementers will need to use extensions and improvised solutions to meet the requirements.

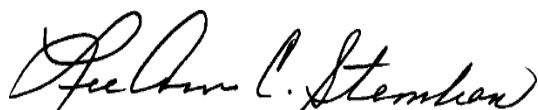
As you implement and enforce Subchapter B-2 of Chapter 1369 of the Insurance Code, NCPDP appreciates your consideration of the information we have provided about the use and utility of the RTPB Standard in the pharmacy industry today and the conflict highlighted between RTPB and the FHIR® resources incorporated by reference in the legislation. NCPDP welcomes the opportunity to serve as subject matter experts on the RTPB Standard and to work with the Texas Department of Insurance if further education or clarification is needed.

For direct inquiries or questions related to this letter, please contact:

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Respectfully,



Lee Ann C. Stember  
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