

Amend CSHB 2292 as follows:

On page 168, between lines 15 and 16, insert a new SECTION 2.105 to read as follows:

SECTION 2.105. STUDY: REVENUE ENHANCEMENT RELATED TO MEDICAID VENDOR DRUG REBATE.

(a) A task force is created to study the prescription drug rebate system established and operated under the medical assistance program and other related programs.

(b) The commission shall establish a task force, composed of appropriate legislators, state agency personnel, and other appropriate personnel to study the prescription drug rebate system established and operated under the medical assistance program and other related programs.

(c) The study must include:

(1) a background on the development and operation of the federal vendor drug rebate and state supplemental rebate system;

(2) a description of current and historical state efforts to develop and implement alternatives to the federal vendor drug rebate system;

(3) a review of any relevant case law or legal precedents related to the vendor drug rebate system;

(4) an analysis of state implementation, including attempted implementation, of an exemption of federal requirements, including the federal Social Security Act, related to vendor drug rebates, prior authorization provisions, and formulary; and,

(5) feasibility of developing either an alternative rebate system or other mechanism to enhance the state's share of prescription drug rebate.

(d) The study must be completed by December 1, 2004 and presented to the Governor and the presiding officers of each house, the House Committee on Appropriations, and the Senate Finance Committee.

Re-number subsequent sections appropriately.