

Amend CSHB 3486 as follows:

(1) On page 2, strike lines 7 through 9 and substitute the following:

(b) A pharmacist for the pharmacy shall examine a drug returned under this section to ensure the integrity of the drug product. A health care facility may not return a drug that:

(1) has been compounded;
(2) appears on inspection to be adulterated;
(3) requires refrigeration; or
(4) has less than 120 days until the expiration date or end of the shelf life.

(2) On page 2, lines 12 and 13, strike "health care facility" and substitute "state Medicaid program

(3) On page 2, between lines 13 and 14, insert the following:

(e) The board shall adopt the rules, policies, and procedures necessary to administer this section, including rules that require a health care facility to inform the Health and Human Services Commission of medicines returned to a pharmacy under this section.

(4) Insert the following appropriately numbered SECTIONS and renumber subsequent SECTIONS of the bill accordingly:

SECTION __. Section 32.028, Human Resources Code, is amended by adding Subsection (i), (j), and (k) to read as follows:

(i) The Health and Human Services Commission shall adopt rules governing the determination of the amount of reimbursement or credit for restocking drugs under Section 562.1085, Occupations Code, that recognize the costs of processing the drugs, including the cost of:

(1) reporting the drug's prescription number and date of original issue;
(2) verifying whether the drug's expiration date or the drug's recommended shelf life exceeds 120 days;
(3) determining the source of payment; and
(4) preparing credit records.

(j) The commission shall provide an electronic system for the issuance of credit for returned drugs that complies with the

Health Insurance Portability and Accountability Act of 1996, Pub. L. 104-191, as amended. To ensure a cost-effective system, only drugs for which the credit exceeds the cost of the restocking fee by at least 100 percent are eligible for credit.

(k) The commission shall establish a task force to develop the rules necessary to implement Subsections (i) and (j). The task force must include representatives of nursing facilities and long-term care facilities.

SECTION _____. The Health and Human Services Commission shall adopt the rules required by Section 32.028(i) and (j), Human Resources Code, as added by this Act, not later than December 1, 2003.