BILL ANALYSIS

BACKGROUND AND PURPOSE

Currently, the state contracts with pharmaceutical companies for a discount on its purchase of prescription and other medications for use by participants of the Medicaid and other health care programs. Recently, other states have joined together in order to obtain better discounts from drug manufacturers for purchasing prescription drugs and other medications. House Bill 2298 would authorize the state to enter into such a collaboration for the joint bulk purchasing of prescription drugs and other medications in order to obtain the best discount possible.

RULEMAKING AUTHORITY

This bill does not expressly delegate any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

House Bill 2298 amends the Government Code by authorizing the Texas Health and Human Services Commission (commission) and each health and human services agency authorized by the commission to enter into an agreement with one or more other states for the joint bulk purchasing of prescription drugs and other medications to be used in the Medicaid program or another government-funded program in this state, not withstanding any other law. The bill requires the commission to adopt procedures applicable to an agreement and joint purchase authorized by the bill. The bill sets forth requirements for what must be included in the procedures.

HB 2298 provides that if before implementing any provision of this bill a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected is required to request a waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

EFFECTIVE DATE

On passage if the Act receives the necessary vote, or if the Act does not receive the necessary vote, the Act takes effect September 1, 2003.