

## **BILL ANALYSIS**

S.C.R. 48  
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Business & Industry  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The integrity of the Texas workers' compensation system, which gives injured workers ready access to medically necessary health care services, including medically necessary prescription drugs, must be protected. Currently, statutory, regulatory, and administrative guidelines for determining payment amounts for prescription drugs under the Labor Code are vague and do not provide fair notice to providers and workers' compensation insurance carriers regarding the amounts to be billed and paid. The methodology for determining payment amounts for prescription drugs under state law should be clearly defined and should not be in excess of the amount charged for similar treatment of an injured individual or an equivalent standard of living and paid by that individual or by someone acting on that individual's behalf. In order to ensure the presence of a reliable network of pharmacy providers and workers' compensation insurance carriers for injured workers in Texas, the procedures for presenting and processing claims for prescription drugs under the Labor Code should be made more efficient and less burdensome on insurance carriers and pharmacy providers. Workers' compensation insurance carriers and pharmacy providers throughout Texas are working collaboratively toward the goals set forth in this resolution.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

As proposed, S.C.R. 48 submits the following resolutions:

That the 78th Legislature direct the Texas Workers' Compensation Commission (TWCC) to consider a rulemaking petition based on a study funded by collaborative efforts of workers' compensation insurance carriers and pharmacy providers and designed to determine pharmacy fees paid by other payors and administrative costs and expenses incurred by pharmacy providers to process claims and payments for prescription drugs provided to individuals under the Texas workers' compensation system, relative to the costs and expenses incurred in providing such drugs to self-paying individuals or individuals for whom payment is made under insurance coverage other than workers' compensation insurance. That the 78th Legislature direct TWCC to promulgate, not later than six months after a rulemaking petition is submitted to TWCC, regulations that clearly define the methodology for determining payment amounts for prescription drugs under the Texas Workers' Compensation Act, and in so doing, to take into account pharmacy fees paid by other payors and costs and expenses that workers' compensation insurance carriers and pharmacies incur in providing prescription drugs to individuals under the Labor Code and to ensure the presence of a reliable network of pharmacy providers for injured workers in Texas. That the 78th Legislature direct TWCC to pursue efforts to streamline the procedures for presenting, processing, and paying claims for prescription drugs under the Labor Code. That the 78th Legislature direct the TWCC to implement this resolution in a budget-neutral manner, and to consider findings of studies or other research funded by collaborative efforts of workers' compensation insurance carriers and pharmacy providers; if such studies are not funded by workers' compensation insurance carriers and pharmacy providers and this resolution cannot be implemented in a budget-neutral manner, the provisions of this resolution need not be implemented. That the secretary of state forward an official copy of this resolution to the chair and executive director of TWCC.