

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**May 19, 2003**

**TO:** Honorable Dianne White Delisi, Chair, House Committee on State Health Care Expenditures, Select

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: SB865** by Van de Putte (Relating to pricing standards used under the Medicaid vendor drug program.), **As Engrossed**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would require the Health and Human Services Commission to consider a nationally recognized, unbiased pricing standard in determining reimbursement amounts for prescription drug prices in the Medicaid Vendor Drug Program (VDP). The bill would further require that the reimbursement amounts be updated at least weekly.

The Health and Human Services Commission (HHSC) currently uses a nationally recognized database of drug prices that is updated weekly. It is assumed that the nationally recognized database would meet the requirements of this bill of a "nationally recognized unbiased pricing standard".

No significant fiscal impact to the HHSC is anticipated.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 529 Health and Human Services Commission

**LBB Staff:** JK, JO, EB, KF, AJ