

Amend CSHB 3540, in ARTICLE 7, by adding the following appropriately numbered section to the article and renumbering the subsequent sections of the article accordingly:

SECTION 7.____. Section 531.070(h), Government Code, is amended to read as follows:

(h) Subject to Subsection (i), the commission shall negotiate with manufacturers and labelers, and may negotiate with ~~[including]~~ generic manufacturers and labelers, to obtain supplemental rebates for prescription drugs provided under:

(1) the Medicaid vendor drug program in excess of the Medicaid rebates required by 42 U.S.C. Section 1396r-8 and its subsequent amendments;

(2) the child health plan program; and

(3) any other state program administered by the commission or a health and human services agency, including community mental health centers and state mental health hospitals.