

BILL ANALYSIS

H.B. 2500
By: Uresti
Public Health
Committee Report (Unamended)

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. This bill 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

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

The bill authorizes 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 requires that the procedures ensure that this state receives all prescription drugs and other medications purchased with money provided by this state and an equitable share of any price benefits resulting from the joint bulk purchase.

The bill 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

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2005.