

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 1, 2005

TO: Honorable Dianne White Delisi, Chair, House Committee on Public Health

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB836 by Gattis (Relating to certain requirements concerning the filling of a prescription.),
Committee Report 1st House, Substituted

No significant fiscal implication to the State is anticipated.

The bill would amend the Occupations Code by requiring a pharmacist to offer a patient the choice of paying the actual price of the prescription instead of the co-payment amount if the actual price of the prescription is lower than the co-payment amount. The bill also would require a pharmacist to personally, or through the pharmacist's agent or employee, advise a patient that a generic drug is available at a lower cost before substituting a generic drug for a name brand drug and obtain the consent of the patient before substituting the generic drug.

According to the Employees Retirement System of Texas (ERS), the bill would not have a significant fiscal impact. Currently, the Texas Employees Group Benefits Program (GBP) has a provision whereby patients pay the lower of the cost of the drug or the co-payment charge. ERS states that the GBP requires the use of generic drugs if available and if the patient chooses the name brand drug when a generic drug is available, the patient must pay the generic co-pay amount plus the difference in the price between the name brand and the generic drug.

The bill would take effect September 1, 2005.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 323 Teacher Retirement System, 327 Employees Retirement System, 515 Board of Pharmacy

LBB Staff: JOB, CL, MW, RR