

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION
Revision 1

March 27, 2007

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

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

IN RE: HB1443 by Davis, John (Relating to restrictions on the substitution of generically equivalent versions of transplant immunosuppressants.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Occupations Code to restrict a pharmacist from dispensing an immunosuppressant drug following transplant unless the drug is the specific formulation prescribed by the patient's physician. The bill would allow a pharmacist to substitute an alternative version of the prescribed immunosuppressive drug only if, before making the substitution, the pharmacist obtains a signed authorization from the prescribing physician.

There could be a fiscal impact to the Medicaid program if a significant number of prescriptions for immunosuppressive drugs following transplant that were previously filled as generic are now filled as brand name. The cost to convert all generic prescriptions for immunosuppressive drugs filled in the Medicaid program in fiscal year 2006 to brand name prescriptions would be an estimated \$1.5 million in General Revenue Funds. It is assumed that some of these prescriptions were for diagnoses unrelated to transplant and that many of them would still be filled as generic, in which case the fiscal impact to the state would not be significant.

Based on information provided by the Department of Aging and Disability Services, the Board of Pharmacy, the Teacher Retirement System, the Health and Human Services Commission, and the Employees Retirement System, it is assumed that any costs related to the duties and responsibilities associated with implementing the provisions of the bill could be covered by utilizing existing resources.

The bill would take effect on September 1, 2007.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 515 Board of Pharmacy, 539 Aging and Disability Services, Department of, 323 Teacher Retirement System, 327 Employees Retirement System, 529 Health and Human Services Commission

LBB Staff: JOB, CL, MW, AH