

BILL ANALYSIS

H.B. 1966
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Public Health
Committee Report (Unamended)

BACKGROUND AND PURPOSE

E-prescribing is an electronic method of prescribing pharmaceuticals drugs using current communications, data management, and web-based technology. The technology allows a practitioner to ensure that the item being prescribed will not interfere with other medications the patient is taking and thus can prevent costly medical errors. The technology also can be used to prevent fraud and billing errors by verifying that a prescription is not duplicated.

H.B. 1966 requires the Health and Human Services Commission to develop an e-prescribing implementation plan under the Medicaid and the children's health insurance programs.

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

H.B. 1966 requires the Health and Human Services Commission (HHSC) to develop an e-prescribing implementation plan under the vendor drug program for Medicaid and the children's health insurance program (CHIP) designed to improve patient safety and standardize electronic prescribing systems used in the program. The bill requires the plan to establish e-prescribing standards with which pharmacists, practitioners, pharmacy benefit managers, and health plans that transmit, directly or through an intermediary, prescriptions for Medicaid recipients and CHIP enrollees and prescription-related information using electronic media must comply and timeframes within which pharmacists, practitioners, pharmacy benefit managers, and health plans must comply with those standards. The bill requires HHSC, not later than December 1, 2009, to submit an initial report to the governor and the Legislative Budget Board (LBB) detailing the e-prescribing implementation plan and requires the report to include projected expenditures and cost savings anticipated for the plan during the state fiscal year. The bill requires HHSC, not later than December 1, 2010, to submit a final report to the governor and LBB regarding the e-prescribing implementation plan and requires the report to include expenditures associated with and cost savings realized from the plan.

H.B. 1966 defines "e-prescribing" to mean the transmission using electronic media of prescription or prescription-related information between a practitioner, pharmacist, pharmacy benefit manager, or health plan, either directly or through an intermediary, including through a network. The bill specifies that the term includes two-way transmissions between the point of care and the pharmacist. The bill defines "prescription-related information" to mean information regarding eligibility for drug benefits, medication history, or related health or drug information for an individual who is receiving benefits under the Medicaid program or CHIP. The bill defines "child health plan program," "electronic media," "Medicaid program," "pharmacist," "pharmacy," and "practitioner," by reference to applicable state law or federal regulation.

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.