

BILL ANALYSIS

C.S.H.B. 2581
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Public Health
Committee Report (Substituted)

BACKGROUND AND PURPOSE

C.S.H.B. 2581 seeks to ensure the application of existing regulations relating to discount health care programs and discount health care operators to those entities that do not charge fees or other consideration for their programs, but that do receive alternate consideration in the form of access to patient data.

C.S.H.B. 2581 clarifies the types of consideration received that qualify an entity's business arrangement as a discount health care program. The bill requires a discount health care program operator to, before enrollment, provide each prospective member disclosure materials containing the program operator's policy regarding access to patient information or patient prescription drug histories.

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

C.S.H.B. 2581 amends the Health and Safety Code to clarify that access to patient information, access to patient prescription drug histories, and drug manufacturer rebates are alternative types of consideration for purposes of including a business arrangement or contract in which an entity offers its members access to discounts on health care services provided by health care providers in exchange for access to such information within the meaning of the term "discount health care program." The bill makes a conforming change to the definition of "discount health care program operator." The bill requires such a program operator, before enrollment, to provide each prospective member disclosure materials containing the program operator's policy regarding access to patient information or patient prescription drug histories, including whether the program operator engages in the transfer or sale of a member's patient information or patient prescription drug history. The bill establishes that a marketer is required to use disclosure materials that comply with all provisions relating to required disclosure materials, including those added by the bill, rather than solely with provisions requiring a program operator to provide each prospective or new member disclosure materials containing certain general, administrative, and contact information regarding the program operator.

EFFECTIVE DATE

September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 2581 adds a provision not in the original to include access to patient prescription drug histories or drug manufacturer rebates as alternative types of consideration for purposes of

including a business arrangement or contract in which an entity offers its members access to discounts on health care services provided by health care providers in exchange for access to such information within the meaning of the term "discount health care program," and makes a conforming change.

C.S.H.B. 2581 adds provisions not in the original requiring a discount health care program operator, before enrollment, to provide each prospective member disclosure materials containing the program operator's policy regarding access to patient information or prescription drug histories, and amends a provision not amended in the original establishing that a marketer is required to use disclosure materials that comply with all provisions relating to required disclosure materials, including those added by the bill, rather than solely with provisions requiring a program operator to provide each prospective or new member disclosure materials containing certain general, administrative, and contact information regarding the program operator.