

BILL ANALYSIS

S.B. 1645
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Public Health
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Physician practices are increasingly turning to specialty pharmacies because these practices lack the administrative resources and staff to manage the complex pharmaceutical care associated with specialty products.

There are few specialty pharmacies that provide patient adherence and therapy management services for certain high-cost specialty drug therapies. These adherence programs can involve total patient case management, including insurance and verification, prior authorization processing, coordination of product delivery of patient appointments, caregiver education, and monitoring of patient health status.

The changes in the Vendor Drug Program dispensing fee formula, made in December 2007, reduced the reimbursement to levels that fail to cover specialty pharmacy costs for certain drugs and the adherence services. This change affects therapy for premature infants and babies at risk of respiratory syncytial virus, among other specialty pharmacy products.

S.B. 1645 requires the Health and Human Services Commission to study the feasibility of establishing separate reimbursement under the Medicaid vendor program for certain pharmacy care services.

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

S.B. 1645 requires the Health and Human Services Commission (HHSC) to study the feasibility of establishing separate reimbursement rates under the Medicaid vendor drug program for pharmacies that provide pharmacy care management services to patients who are administered specialty pharmacy drugs, including drugs indicated for the prophylaxis of respiratory syncytial virus, blood factor, or any other biologic or therapy that requires complex care. The bill requires HHSC, in conducting the study, to consult with the Centers for Medicare and Medicaid Services and authorizes HHSC to consider the adoption of pharmacy care management services reimbursement for pharmacy services adopted by other state Medicaid programs. The bill requires HHSC to seek information from specialty pharmacy providers or other sources regarding the costs of providing pharmacy care management services. The bill requires HHSC to submit a written report of the results of the study to the legislature not later than September 1, 2010.

S.B. 1645 defines "pharmacy care management services."

EFFECTIVE DATE

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