

BILL ANALYSIS

S.B. 2423
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Public Health
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Measures need to be taken to ensure that existing regulations relating to discount health care programs and discount health care program operators apply to entities that do not charge fees or other considerations for their programs, but do receive alternate consideration in the form of access to patient information.

S.B. 2423 amends current law relating to the definition of "discount health care program" and "discount health care program operator" to include a program or operator who has access to patient information in an effort to protect the information of patients and providers during prescription processing in certain discount health care 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

S.B. 2423 amends the Health and Safety Code to specify that consideration includes patient information or patient prescription drug history provided by members of a discount health care program if the entity responsible for arranging the program or the program operator engages in the transfer or sale of such patient information, patient prescription drug history, or drug manufacturer rebates for purposes of defining "discount health care program" and "discount health care program operator."

S.B. 2423 requires a discount health care program operator, if the program operator engages in the transfer or sale of a member's patient information or patient prescription drug history to, before enrollment, provide each prospective member disclosure materials describing the program operator's practices regarding such transfer or sale. The bill makes conforming changes.

EFFECTIVE DATE

September 1, 2009.