

BILL ANALYSIS

Senate Research Center

C.S.S.B. 2423
By: Deuell
Health & Human Services
4/22/2009
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

This legislation seeks to protect the information of patients and providers during prescription processing in certain discount health care programs. Specifically, the bill seeks to ensure the application of existing regulations relating to discount health care programs (program) and discount health care program operators (operator) to those 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.

C.S.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.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 76.001(3) and (4), Health and Safety Code, as follows:

(3) Redefines "discount health care program." Provides that for purposes of this subsection, consideration includes patient information or patient prescription drug history provided by members, if the entity engages in the transfer or sale of such patient information, patient prescription drug history, or drug manufacturer rebates.

(4) Redefines "discount health care program operator." Provides that for purposes of this subsection, consideration includes patient information or patient prescription drug history provided by members, if the person engages in the transfer or sale of such patient information, patient prescription drug history, or drug manufacturer rebates.

SECTION 2. Amends Section 76.053, Health and Safety Code, by adding Subsection (a-1) and amending Subsection (b), as follows:

(a-1) Requires a program operator, if the program operator engages in the transfer or sale of a member's patient information or patient prescription drug history, before enrollment, to provide each prospective member disclosure materials describing the program operator's practices regarding such transfer or sale.

(b) Requires a marketer to use disclosure materials that comply with this section, rather than Subsection (a) (relating to the requirement of a program manager to, at a certain time, provide each prospective or new member certain disclosure materials).

SECTION 3. Effective date: September 1, 2009.