

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 23, 2009

TO: Honorable Lois W. Kolkhorst, Chair, House Committee on Public Health

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2163 by Turner, Sylvester (Relating to the provision of certain medications to children younger than 11 years of age.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Section 32.024, Human Resources Code, to prohibit the Health and Human Services Commission (HHSC) from providing Medicaid reimbursement of antipsychotic or neuroleptic medications to a child who is younger than 11 years of age without prior authorization. Factors to be considered include: the child's diagnosis, approval by the United States Food and Drug Administration for use by a person of the child's age, whether the child has successfully taken the medication in the past, and any other factor HHSC considers relevant.

The bill would take effect September 1, 2009.

HHSC assumes the bill would increase the number of prior authorizations paid for by the Vendor Drug Program but at the same time reduce the number of prescriptions written for antipsychotic or neuroleptic medications for children under the age of 11.

Due to the small number of cases involved, the costs and savings are assumed to be minimal. It is assumed that any costs to change the prior authorization requirements in the Medicaid Vendor Drug Program claims management system would be offset by savings resulting from the reduction in the number of antipsychotic and neuroleptic prescriptions for foster care children under 11 years of age. Therefore, the impact of the bill could be absorbed within existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

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