

Amend CSHB 2510 (house committee report) by adding the following appropriately numbered ARTICLE to the bill and renumbering ARTICLES of the bill accordingly:

ARTICLE \_\_\_\_\_. UNUSED DRUGS TRANSFER PROGRAM

SECTION \_\_\_\_\_.001. Subchapter D, Chapter 1001, Health and Safety Code, is amended by adding Section 1001.087 to read as follows:

Sec. 1001.087. UNUSED DRUGS TRANSFER PROGRAM. (a) To the extent allowed by federal law, the department shall establish a program under which:

(1) a hospital, a nursing facility, or another health facility may transfer to the department, or an entity designated by the department, unused drugs that the hospital, nursing facility, or health facility received reimbursement for the cost of under Medicaid; and

(2) the department, or the entity designated by the department, distributes to public hospitals the unused drugs transferred to the department or entity under Subdivision (1).

(b) In operating the program established under Subsection (a), the department may not, under any circumstances, pay a hospital, a nursing facility, or a health facility for the unused drugs transferred to the department or an entity designated by the department.

(c) The executive commissioner may adopt any rules necessary to implement the program in Subsection (a), including rules that provide for:

(1) the types of unused drugs that may be transferred to the department or an entity designated by the department;

(2) the procedures for transferring unused drugs to the department or the entity designated by the department;

(3) the procedures for allocating and distributing the unused drugs to public hospitals; and

(4) the qualifications for an entity to be designated by the department to receive and distribute unused drugs under the program, including demonstrated expertise in handling, storing, and assessing prescription and nonprescription drugs and coordinating with the state's public hospital system.

SECTION \_\_\_\_ .002. As soon as practicable after the effective date of this Act, the Department of State Health Services shall establish the unused drugs transfer program as required under Section 1001.087, Health and Safety Code, as added by this article, and the executive commissioner of the Health and Human Services Commission shall adopt any rules necessary to implement the program.

SECTION \_\_\_\_ .003. If before implementing any provision of this article a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.