BILL ANALYSIS

Senate Research Center 85R19934 JG-D H.B. 1917 By: Raymond et al. (Schwertner) Health & Human Services 5/12/2017 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

As of September 1, 2018, the preferred drug list will carve into managed care allowing each managed care organization to determine what drugs are on their preferred drug list. H.B. 1917 extends this sunset date to September 1, 2023.

H.B. 1917 amends current law relating to contract requirements for prescription drug benefits provided by Medicaid managed care organizations.

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 Section 533.005(a-1), Government Code, as follows:

(a-1) Provides that the requirements imposed by Subsections (a)(23)(A) (relating to a certain contract containing a requirement that the managed care organization (MCO) develop, implement, and maintain an outpatient pharmacy benefit plan (plan) for its enrolled recipients that exclusively employs the vendor drug program formulary and preserves certain state abilities), (B) (relating to a certain contract containing a requirement that the MCO develop, implement, and maintain a plan for its enrolled recipients that adheres to the applicable preferred drug list), and (C) (relating to a certain contract containing a requirement that the MCO develop, implement, and maintain for its enrolled recipients a plan that includes the prior authorization procedures and requirements for vendor drug programs), do not apply, and are prohibited from being enforced, on and after August 31, 2023, rather than August 31, 2018.

SECTION 2. Requires a state agency, if necessary for implementation of a provision of this Act, to request a waiver or authorization from a federal agency, and authorizes a delay of implementation until such a waiver or authorization is granted.

SECTION 3. Effective date: upon passage or September 1, 2017.