

BILL ANALYSIS

C.S.H.B. 1917
By: Raymond
Human Services
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties have expressed a need to continue requiring managed care organizations that administer Medicaid benefits to develop, implement, and maintain an outpatient pharmacy benefit plan for their enrolled recipients that exclusively employs the vendor drug program formulary, to adhere to the preferred drug list adopted by the Health and Human Services Commission, and to adhere to the prior authorization procedures and requirements of the vendor drug program. C.S.H.B. 1917 seeks to address this issue by postponing the date on or after which statutory provisions providing for those requirements do not apply and may not be enforced.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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

C.S.H.B. 1917 amends the Government Code to postpone from August 31, 2018, to August 31, 2023, the date on or after which the following statutory provisions do not apply and may not be enforced: the requirement for a Medicaid managed care contract to contain a requirement that a managed care organization develop, implement, and maintain an outpatient pharmacy benefit plan for its enrolled recipients that exclusively employs the vendor drug program formulary and preserves the state's ability to reduce waste, fraud, and abuse under Medicaid, that adheres to the applicable preferred drug list adopted by the Health and Human Services Commission, and that includes certain prior authorization procedures and requirements for the vendor drug program.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1917 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Section 533.005(a-1), Government Code, is amended to read as follows:

(a-1) The requirements imposed by Subsections (a)(23)(A), (B), and (C) do not apply, and may not be enforced, on and after August 31, 2030 [2018].

SECTION 2. If before implementing any provision of this Act 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.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 533.005(a-1), Government Code, is amended to read as follows:

(a-1) The requirements imposed by Subsections (a)(23)(A), (B), and (C) do not apply, and may not be enforced, on and after August 31, 2023 [2018].

SECTION 2. Same as introduced version.

SECTION 3. Same as introduced version.