

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 1, 2017

TO: Honorable Larry Phillips, Chair, House Committee on Insurance

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2882 by Oliverson (Relating to modification of certain prescription drug benefits and coverage offered by certain health benefit plans.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to modification of certain prescription drug benefits and coverage offered by certain health benefit plans. Based on information provided by the Texas Department of Insurance, this analysis assumes that the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

According to the Health and Human Services Commission (HHSC), the provisions of the bill would not be implemented for Medicaid and the Children's Health Insurance Program (CHIP); therefore, no significant fiscal impact to HHSC would be anticipated. If the provisions of the bill were implemented for Medicaid and CHIP, there could be a cost to do so if HHSC chose to increase prescription drug premiums to account for the new continuity of coverage protections managed care organizations would be required to follow.

The bill would take effect on September 1, 2017; however, the provisions of the bill would only apply to a health benefit plan that is delivered, issued for delivery, or renewed on or after January 1, 2018.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance, 529 Health and Human Services Commission, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

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