By:  Paxton S.B. No. 1780

(In the Senate - Filed March 6, 2019; March 18, 2019, read first time and referred to Committee on Health & Human Services; April 23, 2019, reported adversely, with favorable Committee Substitute by the following vote: Yeas 9, Nays 0; April 23, 2019, sent to printer.)

COMMITTEE VOTE

                 Yea Nay Absent  PNV

Kolkhorst         X

Perry             X

Buckingham        X

Campbell          X

Flores            X

Johnson           X

Miles             X

Powell            X

Seliger           X

COMMITTEE SUBSTITUTE FOR S.B. No. 1780 By:  Perry

A BILL TO BE ENTITLED

AN ACT

relating to value-based arrangements in the Medicaid vendor drug program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  Subchapter B, Chapter 531, Government Code, is amended by adding Section 531.0701 to read as follows:

Sec. 531.0701.  VALUE-BASED ARRANGEMENTS. (a)  In this section, "manufacturer" has the meaning assigned by Section 531.070.

(b)  Subject to Section 531.071, the commission may enter into a value-based arrangement for the Medicaid vendor drug program by written agreement with a manufacturer based on outcome data or other metrics to which this state and the manufacturer agree in writing. The value-based arrangement may include a rebate, a discount, a price reduction, a contribution, risk sharing, a reimbursement, payment deferral or installment payments, a guarantee, patient care, shared savings payments, withholds, a bonus, or any other thing of value.

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.  The Health and Human Services Commission is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the commission may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

SECTION 4.  This Act takes effect September 1, 2019.

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