

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.

1 SECTION 3. The Health and Human Services Commission is  
2 required to implement a provision of this Act only if the  
3 legislature appropriates money specifically for that purpose. If  
4 the legislature does not appropriate money specifically for that  
5 purpose, the commission may, but is not required to, implement a  
6 provision of this Act using other appropriations available for that  
7 purpose.

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

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President of the Senate

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Speaker of the House

I hereby certify that S.B. No. 1780 passed the Senate on April 25, 2019, by the following vote: Yeas 30, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 1780 passed the House on May 14, 2019, by the following vote: Yeas 139, Nays 2, two present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor