

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**March 25, 2019**

**TO:** Honorable Eddie Lucio III, Chair, House Committee on Insurance

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB1455** by Hunter (Relating to the audit of wholesale invoices during certain audits of pharmacists and pharmacies.), **As Introduced**

The fiscal implications of the bill cannot be determined at this time due to the uncertainty of the number of audited claims that could be affected.

The bill would amend the Insurance Code relating to the audit of wholesale invoices during certain audits of pharmacists and pharmacies. The bill would prohibit a health benefit plan issuer or pharmacy benefit manager from recouping any costs based on a wholesale invoice discrepancy if the audited pharmacy claim is supported by pharmacist or pharmacy records showing that the patient or patient's agent received the dispensed drug.

According to the Employees Retirement System (ERS) and Teacher Retirement System (TRS), the fiscal implications of the bill cannot be determined at this time due to the uncertainty of the number of audited claims that could be affected. Depending on the number of reversals of an audit finding where ERS and TRS are unable to recoup the costs of potential participant or plan overpayments, the fiscal implication to the State could be significant.

According to the Texas Department of Insurance, The University of Texas System Administration, and Texas A&M University System Administration, this analysis assumes that the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:**        323 Teacher Retirement System, 327 Employees Retirement System, 454  
Department of Insurance, 710 Texas A&M University System  
Administrative and General Offices, 720 The University of Texas System  
Administration

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