LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 22, 2019

TO: Honorable Dennis Bonnen, Speaker of the House, House of Representatives

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director

Legislative Budget Board

IN RE: HB2536 by Oliverson (Relating to transparency related to drug costs.), As Passed 2nd

House

No significant fiscal implication to the State is anticipated.

The bill would require pharmaceutical drug manufacturers (PDMs) to annually report to the Health and Human Services Commission (HHSC) on the current wholesale acquisition costs of certain FDA-approved drugs sold in the state. HHSC would be required to develop a website to provide this information to the public. The bill would also require PDMs to report information on certain drug price increases. HHSC would be required to publish these reports online.

The bill would require Pharmacy Benefit Managers and Health Benefit Plan Issuers to submit reports to the Insurance Commissioner, who would be required to publish the combined aggregated data from those reports online.

The Employee Retirement System, Department of Insurance, The University of Texas System Administration, Texas A&M University System Administrative and General Office, and HHSC indicate that the provisions of the bill could be absorbed using existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 327 Employees Retirement System, 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

LBB Staff: WP, CLo, JQ, BH, CMa