

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 7, 2019

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

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

IN RE: HB2817 by Lucio III (Relating to the contractual relationship between a pharmacist or pharmacy and a health benefit plan issuer or pharmacy benefit manager.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to the contractual relationship between a pharmacist or pharmacy and a health benefit plan issuer or pharmacy benefit manager. Based on information provided by the Texas Department of Insurance and Employees Retirement System, this analysis assumes that the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Although there is no specific exemption for Medicaid or the Children's Health Insurance Program (CHIP), it is assumed the provisions would not apply. According to the Health and Human Services Commission, the provisions of the bill would conflict with state law specific to Medicaid. If the provisions of the bill were applied to Medicaid or CHIP, there may be a significant cost associated with doing so.

The bill applies only to a contract entered into or renewed on or after September 1, 2019. The bill would take effect on September 1, 2019.

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, SGr, CP, LR, CMa, KFB