

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 8, 2019

TO: Honorable Lois W. Kolhorst, Chair, Senate Committee on Health & Human Services

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

IN RE: SB1780 by Paxton (Relating to value-based arrangements for prescription drugs in Medicaid.), **As Introduced**

The fiscal implications of the bill cannot be determined at this time, but there could be a positive fiscal impact to the state.

The bill would authorize the Health and Human Services Commission to enter into certain value-based arrangements with prescription drug manufacturers. It is assumed any administrative costs associated with implementation of the bill would be minimal and could be absorbed within the available resources of the agency. The fiscal impact of the value-based arrangements cannot be determined but if implemented, they would be expected to either reduce costs or increase rebate revenue resulting in a positive fiscal impact to the state.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: WP, AKi, LR