

BILL ANALYSIS

H.B. 1240
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Public Health
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Prescription medication is an integral part of health care, yet many individuals are unable to access it due to cost. Allowing physicians to directly dispense prescription medication, as most other states already do, could help lower costs for their patients.

Furthermore, the burdens that come with procuring medication through a pharmacy sometimes leave patients unable to access the drugs necessary to maintain their health. Poor medication adherence leaves people without the full benefits that their medications could provide. In turn, poor adherence leads to worse outcomes and higher health care costs as diseases progress without treatment. Allowing physicians the ability to dispense medications in house provides benefits for both the physician and the patient, including improved health and convenience. Convenience benefits every kind of patient but is especially important for patients who have disabilities, are working single parents, or reside in rural communities. H.B. 1240 seeks to improve access to prescription medication and help lower costs for Texans by authorizing a physician to provide or dispense dangerous drugs to the physician's patients and be reimbursed for the cost of providing or dispensing those drugs without obtaining a license to practice pharmacy.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Medical Board in SECTION 9 of this bill.

ANALYSIS

H.B. 1240 amends the Occupations Code to authorize a physician to provide or dispense dangerous drugs to the physician's patients and be reimbursed for the cost of providing or dispensing those drugs without obtaining a license to practice pharmacy. The bill prohibits a physician from providing or dispensing a controlled substance in Schedules II through V under the Texas Controlled Substances Act. The bill requires a physician who provides or dispenses dangerous drugs to oversee compliance with the state and federal laws relating to such drugs and, before providing or dispensing dangerous drugs, to notify the patient that the prescription for the drug may be filled at a pharmacy. The bill authorizes that notification requirement, with respect to dangerous drugs provided or dispensed in a physician's office, to be satisfied by a written notice placed conspicuously in the office. The bill authorizes a physician to delegate to any qualified and properly trained person acting under the physician's supervision the act of providing or dispensing dangerous drugs as ordered by the physician to the physician's patients.

H.B. 1240 requires a physician, not later than the 30th day after the date the physician first provides or dispenses dangerous drugs, to notify the Texas State Board of Pharmacy (TSBP) and the Texas Medical Board (TMB) that the physician is providing or dispensing dangerous drugs. The bill requires the TSBP and the TMB to jointly adopt a form by which a physician

may provide such notification to the respective entities. The bill requires a physician who notifies the TMB that the physician is providing or dispensing dangerous drugs and who intends to continue to provide or dispense dangerous drugs to include notice of that intent in any subsequent registration permit renewal application submitted to the TMB. The bill requires the TMB by rule to prescribe the form of a registration permit renewal application in accordance with the bill's provisions. The bill provisions relating to the provision and dispensing of dangerous drugs do not apply to a physician providing care under workers' compensation insurance coverage provided by the Texas Workers' Compensation Act.

H.B. 1240 revises statutory provisions under the Texas Pharmacy Act as follows:

- excludes from the term "pharmacy" a location where a physician, or a person under a physician's supervision, provides or dispenses a dangerous drug in accordance with applicable statutory provisions under the Medical Practice Act;
- establishes that the term "retailing of prescription drugs" does not include the collection of a reimbursement for cost, for purposes relating to the applicability of the Texas Pharmacy Act;
- establishes that the act does not prevent a practitioner, or a person under a physician's supervision, from providing or dispensing dangerous drugs;
- clarifies that a physician or person acting under the physician's supervision, for purposes relating to licensure to practice pharmacy, may provide or dispense dangerous drugs in accordance with applicable statutory provisions under the Medical Practice Act as well as under the bill's provisions; and
- authorizes a physician to delegate to any qualified and properly trained person acting under the physician's supervision the act of providing or dispensing dangerous drugs, as ordered by the physician, to the physician's patients.

H.B. 1240 makes statutory provisions relating to the dispensing of dangerous drugs in certain rural areas under the Medical Practice Act and the Texas Pharmacy Act applicable only to a physician providing care under workers' compensation insurance coverage as provided by the Texas Workers' Compensation Act.

H.B. 1240 repeals the heading to Subchapter B, Chapter 563, Occupations Code.

EFFECTIVE DATE

September 1, 2023.