

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

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**April 12, 2023**

**TO:** Honorable Sam Harless, Chair, House Committee on Health Care Reform, Select

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB3026** by Oliverson (Relating to the administration of a prescription drug manufacturer or third-party prescription assistance program.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds for HB3026, As Introduced :** a negative impact of (\$18,228,630) through the biennium ending August 31, 2025.

The Health and Human Services Commission is required to implement a provision of the bill only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the Health and Human Services Commission may, but is not required to, implement a provision of the bill using other appropriations available for that purpose.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five- Year Impact:**

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2024	(\$11,144,841)
2025	(\$7,083,789)
2026	(\$5,566,500)
2027	(\$5,568,210)
2028	(\$5,569,939)

**All Funds, Five-Year Impact:**

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$11,144,841)	17.0
2025	(\$7,083,789)	19.0
2026	(\$5,566,500)	19.0
2027	(\$5,568,210)	19.0
2028	(\$5,569,939)	19.0

**Fiscal Analysis**

The bill would authorize the Health and Human Services Commission (HHSC) to establish a prescription drug assistance program to provide certain individuals access to prescription drug benefits using a prescription drug manufacturer or third-party prescription assistance programs. HHSC would be required to direct patients to the

appropriate assistance available in the program on their website and would be required conduct a community outreach and education campaign. HHSC would be required to approve program benefits and submit an annual report on the program.

### **Methodology**

The analysis assumes HHSC would require 17.0 full-time equivalents (FTEs) in fiscal year 2024 and 19.0 FTEs in subsequent fiscal years. This would include 12.0 Program Specialist IVs to perform outreach, conduct trainings, provide technical assistance, and connect users to additional resources; 2.0 Program Specialist VIs to manage the outreach campaign and provide website updates; 1.0 Pharmacist to serve as a subject matter expert; 1.0 Research Specialist to provide program planning and research; and 1.0 Manager V to provide operational oversight each fiscal year. In fiscal year 2025 and subsequent fiscal years, the analysis assumes HHSC would also require 1.0 Data Administrator III and 1.0 Programmer IV to assist with technology maintenance following the development of a website and portal for the program. Total non-technology FTE costs, including salary, benefits, furniture, supplies, office space, and travel, would be \$1.9 million in fiscal year 2024 and \$2.2 million in subsequent fiscal years.

In addition, the analysis assumes HHSC would require \$0.1 million each fiscal year related to promotional materials for the required outreach campaign.

### **Technology**

Based on information provided by HHSC, the analysis assumes technology costs would total \$9.1 million in fiscal year 2024, \$4.8 million in fiscal year 2025, and \$3.3 million in subsequent fiscal years related to developing the public-facing website and an internal portal for assisting with the prescription drug assistance program. This would include \$3.5 million in fiscal year 2024 and \$1.5 million in fiscal year 2025 in development costs related to both the website and the portal; \$3.0 million in fiscal year 2024 and \$0.7 million in subsequent fiscal years to develop and maintain the website; \$2.3 million each fiscal year for content management and software licenses; and \$0.3 million each fiscal year in infrastructure costs for data center services for the portal. FTE-related technology costs would be \$0.1 million in fiscal year 2024 and less than \$0.1 million in subsequent fiscal years.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 529 Health and Human Services Commission

**LBB Staff:** JMc, NPe, ER, NDA, NV