

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 28, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3286 by Klick (relating to certain prescription drug benefits under the Medicaid managed care program.), **Committee Report 1st House, Substituted**

<p>The fiscal implications of the bill cannot be determined due to the uncertainty regarding the number of clients who would shift to non-preferred drugs as a result of exceptions to the preferred drug list.</p>

The bill would establish exceptions to the preferred drug list adhered to by Medicaid managed care organizations. According to the Health and Human Services Commission, the bill could result in a reduction of federal and supplemental rebates due to a shift towards higher net cost non-preferred drugs. However, due to a lack of information regarding the effects on utilization, the fiscal impact cannot be determined at this time.

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, CST