

Chapter 832

H.B. No. 1917

1 AN ACT
2 relating to contract requirements for prescription drug benefits
3 provided by Medicaid managed care organizations.

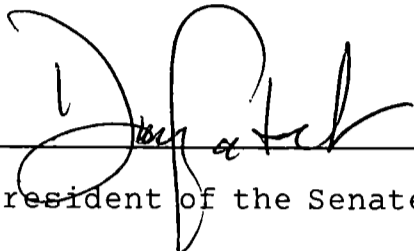
4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 533.005(a-1), Government Code, is
6 amended to read as follows:

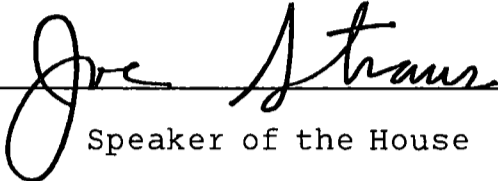
7 (a-1) The requirements imposed by Subsections (a)(23)(A),
8 (B), and (C) do not apply, and may not be enforced, on and after
9 August 31, 2023 [~~2018~~].

10 SECTION 2. If before implementing any provision of this Act
11 a state agency determines that a waiver or authorization from a
12 federal agency is necessary for implementation of that provision,
13 the agency affected by the provision shall request the waiver or
14 authorization and may delay implementing that provision until the
15 waiver or authorization is granted.

16 SECTION 3. This Act takes effect immediately if it receives
17 a vote of two-thirds of all the members elected to each house, as
18 provided by Section 39, Article III, Texas Constitution. If this
19 Act does not receive the vote necessary for immediate effect, this
20 Act takes effect September 1, 2017.



President of the Senate



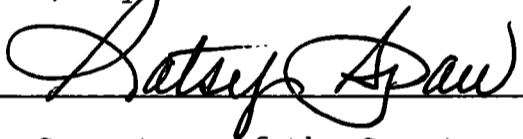
Speaker of the House

I certify that H.B. No. 1917 was passed by the House on May 4, 2017, by the following vote: Yeas 102, Nays 41, 2 present, not voting.



Chief Clerk of the House

I certify that H.B. No. 1917 was passed by the Senate on May 21, 2017, by the following vote: Yeas 24, Nays 7.



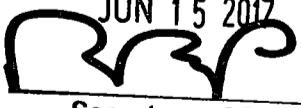
Secretary of the Senate

APPROVED: 6-12-2017
Date



Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
3 PM O'CLOCK

JUN 15 2017


Secretary of State

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION
Revision 1**

May 12, 2017

TO: Honorable Charles Schwertner, Chair, Senate Committee on Health & Human Services

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1917 by Raymond (Relating to contract requirements for prescription drug benefits provided by Medicaid managed care organizations.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would extend certain requirements pertaining to Medicaid managed care organizations employing the state's vendor drug program formulary, preferred drug list (PDL), and prior authorization procedures through August 31, 2023.

The Health and Human Services commission (HHSC) conducted a study to identify potential savings attributed to carving the vendor drug program formulary, PDL, and prior authorization procedures into managed care. However, cost containment strategies identified in the study can be implemented by HHSC regardless of who controls the formulary, PDL, and prior authorization procedures; therefore, there are no significant costs or savings associated with the provisions of the bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: UP, CL, LR, KCA, RGU

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 29, 2017

TO: Honorable Richard Peña Raymond, Chair, House Committee on Human Services

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1917 by Raymond (Relating to contract requirements for prescription drug benefits provided by Medicaid managed care organizations.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would extend certain requirements pertaining to Medicaid managed care organizations employing the state's vendor drug program formulary, preferred drug list (PDL), and prior authorization procedures through August 31, 2023.

The Health and Human Services commission (HHSC) conducted a study to identify potential savings attributed to carving the vendor drug program formulary, PDL, and prior authorization procedures into managed care. However, cost containment strategies identified in the study can be implemented by HHSC regardless of who controls the formulary, PDL, and prior authorization procedures; therefore, there are no significant costs or savings associated with the provisions of the bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: UP, KCA, LR, RGU

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 26, 2017

TO: Honorable Richard Peña Raymond, Chair, House Committee on Human Services

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1917** by Raymond (Relating to contract requirements for prescription drug benefits provided by Medicaid managed care organizations.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would extend certain requirements pertaining to Medicaid managed care organizations employing the state's vendor drug program formulary, preferred drug list (PDL), and prior authorization procedures through August 31, 2030.

The Health and Human Services commission (HHSC) conducted a study to identify potential savings attributed to carving the vendor drug program formulary, PDL, and prior authorization procedures into managed care. However, cost containment strategies identified in the study can be implemented by HHSC regardless of who controls the formulary, PDL, and prior authorization procedures; therefore, there are no significant costs or savings associated with the provisions of the bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: UP, KCA, LR, RGU