

SUBJECT:	Creating a prescription drug assistance program
COMMITTEE:	Health Care Reform, Select — favorable, without amendment
VOTE:	11 ayes — Harless, Howard, Bonnen, Bucy, Frank, Klick, Morales, Oliverson, Price, Rose, Walle 0 nays
WITNESSES:	For — (<i>Registered, but did not testify</i> : Lindsay Lanagan, Legacy Community Health; Tim Ottinger, St. Luke’s Health; Emily Brizzolara-Dove, Charles Miller, Texas 2036; Debbie Garza, Texas Pharmacy Association; Michelle Evans) Against — None On — (<i>Registered, but did not testify</i> : Keisha Rowe, Texas Health and Human Services Commission)
BACKGROUND:	Concerns have been raised that patients are often unaware of prescription drug assistance programs that can reduce patient out-of-pocket costs for high cost drugs and enrolling into an available program can be challenging.
DIGEST:	HB 3026 would require the Health and Human Services Commission (HHSC) to develop and design a prescription drug assistance program to increase access to prescription drugs for certain individuals through a prescription drug manufacturer or other patient assistance program. The prescription drug assistance program would not expand the Medicaid program and would not entitle individuals to assistance. Program. HHSC would be required to ensure the program provided the greatest value to program enrollees by considering: <ul style="list-style-type: none">• the adequacy of prescription drugs available through the program;• the net costs of the drugs to enrollees;

- the cost to the state; and
- other factors determined by the commission.

Program benefits would exclude prescription drugs used for elective termination of pregnancy.

The bill would require HHSC to oversee implementation of the program and develop procedures for accepting applications for enrollment. HHSC would be required to list information that directed a patient to assistance available under the program in a central place on its website.

To the extent feasible, HHSC would be required to integrate a prescription drug manufacturer or third-party patient assistance program into the prescription drug program. A prescription drug manufacturer or other third party could decline to link its assistance program to the prescription drug assistance program.

HHSC could contract with a third party or other entity to perform any or all program duties and actions HHSC would otherwise perform to implement the program. HHSC also could award grants or enter into other arrangements with a governmental entity or nonprofit organization to implement the program.

The bill would require HHSC to conduct a community outreach and education campaign to provide information on the program to eligible individuals.

Funding. HHSC could accept and use money to implement the program including gifts, grants, and donations, legislative appropriations, and federal money available under law.

Program money could be used only to administer the prescription drug assistance program and provide program services.

HHSC would not be required to implement the program unless appropriated money was made available by the Legislature for this

purpose.

Eligibility. An individual would be eligible for benefits under the program if the individual met eligibility criteria identified by the prescription drug manufacturer or other third party's prescription assistance program. HHSC could identify additional factors for program eligibility.

Benefits. HHSC would be required to approve program benefits and would ensure that benefits complied with all applicable federal and state laws and rules. HHSC would establish a procedure to monitor the provision of program benefits and services, including developing a report form and process for contractors to report on the benefits and services provided under the program.

Report. By December 1 of each year, HHSC would provide a written report to the governor, lieutenant governor, speaker of the House, and relevant legislative standing committees that included:

- a line-item list of all program administrative costs incurred by the commission, including costs incurred by a third-party administrator or other entity;
- the aggregate amount of prescription drug cost savings accrued under the program; and
- other program expenditures deemed appropriate by the commission.

Other. The bill would revise provisions requiring HHSC to develop a prescription drug savings program by partnering with a pharmacy benefit manager to instead allow the commission to develop such a program, and would revise the affiliated report requirement to ensure reporting begins following the first year the program would be established.

The bill would take effect September 1, 2023.

NOTES: According to the Legislative Budget Board, would have a negative

\$18,228,630 impact on general revenue through the biennium ending August 31, 2025.