

BILL ANALYSIS

Senate Research Center
77R5921 DLF-D

S.B. 1152
By: Van de Putte
Health & Human Services
4/3/2001
As Filed

DIGEST AND PURPOSE

The objective of the Tex Rx Plan is to provide prescription drug benefits to individuals who are eligible for the plan. As proposed, S.B. 1152 outlines eligibility guidelines and enrollment, duties, and duties of the Texas Department of Health.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Board of Health in SECTION 1 (Sections 65.051, 65.058 and 65.102 Health and Safety Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Title 2C, Health and Safety Code, by adding Chapter 65 as follows:

CHAPTER 65. TEX RX PLAN
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 65.001. OBJECTIVE OF TEX RX PLAN. Sets forth objectives of the Tex Rx plan.

Sec. 65.002. DEFINITIONS. Defines “net family income,” and “plan.”

Sec. 65.003. NOT AN ENTITLEMENT. Provides that this chapter does not establish an entitlement to assistance in obtaining prescription drug benefits.

Reserves Sections 65.004-65.050 for expansion.

SUBCHAPTER B. ADMINISTRATION OF PLAN

Sec. 65.051. DUTIES OF DEPARTMENT. (a) Requires the Texas Department of Health (department) to develop and implement the Tex Rx plan to provide prescription drug benefits for eligible individuals.

(b) Requires the Texas Board of Health (board) to make policy for the plan, including policy related to eligibility for coverage under the plan and to prescription drug benefits provided under the plan.

(c) Requires the board adopt rules as necessary to implement this chapter. Requires the board, in adopting rules under this section, to consider any requirements imposed under a federal program that provides federal matching money for prescription drug benefits.

Sec. 65.052. VENDOR DRUG PROGRAM. Authorizes the department to consolidate or coordinate the administration of the plan provided under this chapter with the Medicaid vendor drug program.

Sec. 65.053. DISCOUNTS AND MANUFACTURER REBATES. Authorizes the department to negotiate discounts for prescription drugs and accept prescription drug manufacturer's rebates for the benefit of enrollees in the plan.

Sec. 65.054. IMPLEMENTATION OF CONTRACTS. (a) Authorizes the department to enter into contracts relating to the purchase and distribution of prescription drugs under the plan.

(b) Requires the board, for any contract entered into under Subsection (a), to retain certain authority and to perform certain functions.

Sec. 65.055. ADMINISTRATION OF ENROLLMENT. Requires the department to accept applications for enrollment under the plan and implement the plan eligibility screening and enrollment procedures, resolve grievances relating to eligibility determinations, and coordinate the plan with Medicare and the Medicaid plan, as necessary.

Sec. 65.056. COMMUNITY OUTREACH CAMPAIGN; TOLL-FREE HOTLINE. (a) Authorizes the department to conduct a community outreach and education campaign to provide information relating to the availability of the plan.

(b) Authorizes the community outreach campaign to include a toll-free telephone number through which individuals may obtain information about the plan.

(c) Authorizes the department to contract with community-based organizations or coalitions of community-based organizations to implement the community outreach campaign and may promote and encourage voluntary efforts to implement the community outreach campaign.

Sec. 65.057. REGIONAL ADVISORY COMMITTEES. Authorizes the board to appoint regional advisory committees to provide recommendations on the implementation and operation of the plan.

Sec. 65.058. FRAUD PREVENTION. (a) Requires the board to adopt and implement rules for the prevention and detection of fraud in the plan.

(b) Provides that the rules may authorize the exclusion from the plan of an individual who commits fraud after notice to the individual and an opportunity for a hearing.

Reserves Sections 65.059 - 65.100 for expansion.

SUBCHAPTER C. ELIGIBILITY

Sec. 65.101. ELIGIBILITY. Provides that an individual is eligible to participate in the plan if the individual is a resident of this state and meets certain requirements.

Sec. 65.102. ELIGIBILITY OF CERTAIN INDIVIDUALS. Requires the board by rule to authorize the enrollment of individuals who, at any time, are covered by a Medicare supplement policy that provides prescription drug benefits and who, because of changed circumstances, become unable to continue to pay premiums for the policy or to pay applicable cost-sharing amounts.

Sec. 65.103. APPLICATION FORM AND PROCEDURES. (a) Requires the department to adopt an application form and application procedures for requesting enrollment in the plan under this chapter.

(b) Requires that to the extent possible, the application form be made available in languages other than English.

(c) Authorizes the department to permit application to be made by mail, telephone, or through the Internet.

Sec. 65.104. ELIGIBILITY SCREENING AND ENROLLMENT. (a) Requires the department to develop eligibility screening and enrollment procedures for the plan.

(b) Requires that a determination of whether an individual is eligible to participate in the plan and the enrollment of an eligible individual to be completed not later than the 30th day after the date the individual submits a complete application.

(c) Authorizes the department to establish enrollment periods for the plan.

Reserves section 65.105 - 65.150 for expansion.

SUBCHAPTER D. BENEFITS FOR PRESCRIPTION DRUGS

Sec. 65.151. PLAN BENEFITS. Requires the plan to provide benefits equivalent to the benefits provided under the Medicaid vendor drug program.

Sec. 65.152. COST SHARING. Authorizes the department to require an enrollee in the plan to pay a copayment or similar charge for prescription drugs provided under the plan.

SECTION 2. Amends the heading of Title 2C, Health and Safety Code, as follows:

SUBTITLE C. New heading: INDIGENT HEALTH CARE AND PUBLIC HEALTH CARE PROGRAMS

SECTION 3. (a) Requires the Texas Department of Health to develop the Tex Rx plan established under Chapter 65, Health and Safety Code, as added by this Act, as soon as practicable after the effective date of this Act. Prohibits the department from implementing the plan before federal matching money becomes available for the plan.

(b) Requires the Health and Human Services Commission, at the request of the Texas Department of Health, to request from the appropriate federal agency an appropriate waiver or authorization to permit operation of the plan required by Chapter 65, Health and Safety Code, as added by this Act, using federal matching dollars.

(c) Provides that in anticipation of federal legislation authorizing the granting of federal money for plans similar to the plan required by Chapter 65, Health and Safety Code, as added by this Act, it is the intention of the legislature that the Texas Department of Health develop the plan without regard to whether the granting of the waiver or authorization requested under Subsection (b) of this section is delayed or denied.

SECTION 4. Effective date: upon passage or September 1, 2001.