

BILL ANALYSIS

Senate Research Center
77R6517 PEP-D

C.S.S.B. 347
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Criminal Justice
2/15/2001
Committee Report (Substituted)

DIGEST AND PURPOSE

Currently, the University of Texas Medical Branch at Galveston (UTMB) purchases pharmaceutical drugs for the Texas prison system through a drug consortium, thus reducing the cost. By participating in the federal "340B" drug pricing program, pharmaceutical drugs can be purchased for an even lower cost if UTMB, the Correctional Managed Health Care Committee (CMHCC), the Texas Department of Criminal Justice (TDCJ), and the Texas Tech University Health Sciences Center make the necessary administrative and contract modifications in order to qualify for the program. As proposed, C.S.S.B. 347 requires TDCJ to modify its contracts with CMHCC so that the UTMB can purchase prescription drugs for the prison population at federal "340B" prices.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 501.147(a) and (c), Government Code, by requiring a contract entered into on behalf of the Department of Criminal Justice (TDCJ) by the Correctional Managed Health Care Committee (committee) to include provisions to ensure that The University of Texas Medical Branch at Galveston (UTMB) is eligible for and makes reasonable efforts to participate in the purchase of prescription drugs under Section 340B, Public Health Service Act (42 U.S.C. Section 256b). Requires the committee to integrate the managed health care provider network with the public medical schools of this state and the component and affiliated hospitals of those medical schools. Requires the contract to authorize UTMB to contract directly with the Texas Tech University Health Science Center (TTUHSC) for the provision of health care services. Requires TTUHSC to cooperate with UTMB in its efforts to participate in the purchase of prescription drugs under Section 340B, Public Health Service Act (42 U.S.C. Section 256b).

SECTION 2. Amends Section 501.148(a), Government Code, to require the committee to act as an independent third party in the allocation of money to inmate health care providers, including the allocation of money between UTMB and TTUHSC; and act as an independent third party for the purpose of dispute resolution in the event of a disagreement relating to inmate health services between UTMB and TTUHSC.

SECTION 3. Requires the committee and TDCJ to amend any existing contract for the implementation of the managed health care plan established under Section 501.146, Government Code, as necessary to meet the requirements imposed on the contract under Sections 501.147(a) and (c), Government Code, as amended by this Act, not later than January 1, 2002.

SECTION 3. Effective date: September 1, 2001.

SUMMARY OF COMMITTEE CHANGES

SECTION 1. No change.

SECTION 2. Amends As Filed S.B. 347 by amending Section 501.148(a), Government Code, to require the committee to act as an independent third party in the allocation of money to inmate health care providers, including the allocation of money between UTMB and TTUHSC; and act as an independent third party for the purpose of dispute resolution in the event of a disagreement relating to inmate health services between UTMB and TTUHSC.

SECTION 3. Redesignates As Filed S.B. 347 SECTION 2 as SECTION 3.

SECTION 4. Redesignates As Filed S.B. 347 SECTION 3 as SECTION 4.