

BILL ANALYSIS

Senate Research Center
79R6340 DLF-D

S.B. 601
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State Affairs
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As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, it is against federal law to import prescription medications. However, as the cost of prescription medications continue to rise, there are valid concerns regarding the availability of safe, effective, and reasonably priced prescription medications being imported into Texas. Although the focus on pricing of prescription medications is a viable concern, so is the efficacy and safety of imported medications.

As proposed, S.B. 601 allows the Employees Retirement System (ERS) to conduct a detailed study to determine whether importing prescription drugs from a foreign country for use in the state employees group benefits program would be safe, feasible, and cost-effective. This bill would also allow ERS to enter into interagency contracts with other state agencies to extend the study to other state-funded programs that provide health care services or benefits and consult with other state agencies as appropriate.

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. PRESCRIPTION DRUG STUDY. (a) Defines "system."

(b) Requires the Employees Retirement System of Texas (system) to conduct a detailed study to determine whether importing prescription drugs from a foreign country for use in the state employees group benefits program would be safe, feasible, and cost-effective.

(c) Authorizes the system to enter into interagency contracts with other state agencies to extend the study to other state funded programs that provide health care services or benefits and consult with other state agencies, as appropriate.

(d) Requires the system, not later than September 1, 2006, to report the results of the study, including proposed legislation necessary to implement any recommendations contained in the report, to the governor, lieutenant governor, speaker of the house of representatives, and appropriate standing committees of the legislature.

SECTION 2. EXPIRATION. Provides that this Act expires December 31, 2006.

SECTION 3. EFFECTIVE DATE. Effective date: upon passage or September 1, 2005.