

## BILL ANALYSIS

Senate Research Center  
78R8687 KKA-D

H.B. 2298  
By: Uresti (Zaffirini)  
Health & Human Services  
5/17/2003  
Engrossed

### DIGEST AND PURPOSE

Currently, the state contracts with pharmaceutical companies for a discount on its purchase of prescription and other medications for use by participants in Medicaid and other health care programs. Recently, other states have joined together in order to obtain better discounts from drug manufacturers for purchasing prescription drugs and other medications. H.B. 2298 authorizes the state to enter into such a collaboration for the joint bulk purchasing of prescription drugs and other medications in order to obtain the best discount possible.

### 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 Subchapter B, Chapter 531, Government Code, by adding Section 531.063, as follows:

Sec. 531.063. JOINT PURCHASING OF PRESCRIPTION DRUGS AND OTHER MEDICATIONS. (a) Authorizes the Health and Human Services Commission (HHSC) and each health and human services agency authorized by HHSC, notwithstanding any other law, to enter into an agreement with one or more other states for the joint bulk purchasing of prescription drugs and other medications to be used in the Medicaid program or another government-funded health program in this state.

(b) Requires HHSC to adopt procedures applicable to an agreement and joint purchase authorized by this section. Requires the procedures to ensure that this state receives all prescription drugs and other medications purchased with money provided by this state and an equitable share of any price benefits resulting from the joint bulk purchase.

SECTION 2. Provides that if before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision must request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 3. Effective date: upon passage or September 1, 2003.