BILL ANALYSIS

Senate Research Center 81R18752 ALB-F

C.S.S.B. 1645 By: Van de Putte Health & Human Services 4/30/2009 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Physician practices are increasingly turning to specialty pharmacies to provide patient adherence to services that they provide because these practices lack the administrative resources and staff to manage the complex pharmaceutical care associated with specialty products.

There are few specialty pharmacies that provide patient adherence and therapy management services for certain high-cost specialty drug therapies. These adherence programs can involve total patient case management, including insurance and verification, prior authorization processing, coordination of product delivery of patient appointments, caregiver education, and monitoring of patient health status.

The changes in the Vendor Drug Program (program) dispensing fee formula, made in December 2007, reduced the reimbursement to levels that fail to cover specialty pharmacy costs for certain drugs and the adherence services. This change affects therapy for premature infants and babies at risk of respiratory syncytial virus, among other specialty pharmacy products.

C.S.S.B. 1645 relates to a study of the feasibility of establishing separate reimbursement under the Medicaid vendor program for certain pharmacy care services.

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. DEFINITION. Defines "pharmacy care management services."

SECTION 2. STUDY. (a) Requires the Health and Human Services Commission (HHSC) to study the feasibility of establishing separate reimbursement rates under the Medicaid vendor drug program for pharmacies that provide pharmacy care management services to patients who are administered specialty pharmacy drugs, including drugs indicated for the prophylaxis of respiratory syncytial virus, blood factor, or any other biologic or therapy that requires complex care.

- (b) Requires HHSC, in conducting the study under Subsection (a) of this section, to consult with the Centers for Medicare and Medicaid Services and authorizes HHSC to consider adoption of pharmacy care management services reimbursement for pharmacy services adopted by other state Medicaid programs.
- (c) Requires HHSC to seek information from specialty pharmacy providers or other sources regarding the costs of providing pharmacy care management services.
- (d) Requires HHSC, not later than September 1, 2010, to submit a written report of the results of the study conducted under Subsection (a) of this section to the legislature.

SECTION 3. EFFECTIVE DATE. Effective date: upon passage or September 1, 2009.