

René O. Oliveira  
Chairman

Hugh Shine  
Vice-Chairman



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TEXAS HOUSE OF REPRESENTATIVES  
COMMITTEE ON BUSINESS & INDUSTRY

May 8, 2017

W. Ryan Brannan  
Commissioner of Workers' Compensation  
7551 Metro Center Drive, Suite 100  
Austin, TX 78744

Dear Commissioner Brannan:

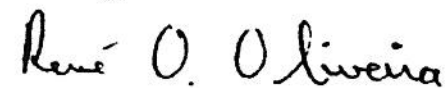
The increasing utilization and cost of compounded pharmaceuticals in the Texas Workers' Compensation system has raised concerns regarding the safety, efficacy, and cost-effectiveness of these drugs. At the conclusion of an interim hearing on March 22, 2016, I and the rest of the House Committee on Business and Industry directed the Division of Workers' Compensation (DWC) to conduct an audit of compound medications in the workers' compensation system. On behalf of the committee, I want to thank you and your staff for working so diligently on the request.

In response to the audit results, I filed House Bill 2830 this session to continue the discussion on the regulation of compound medications. The bill, however, was very much a "shell" bill, designed to bring forward the wide variety of stakeholders and begin to understand all the complexities of the issue. Due to the time constraints of the Regular Session, the committee felt that, despite a hearing on the bill, it needs a more thorough understanding of the prescribing, sales, use, and insurance payment of compound pharmaceuticals.

The undersigned members of the House Committee on Business and Industry and I respectfully request the Division of Workers' Compensation address the regulation of compound medications through DWC's deliberative rulemaking process. We encourage DWC to seek the valuable input of insurance carriers, pharmacists, doctors, patients, and other stakeholders as you work to implement a rule that both ensures injured employees receive the medication they need to recover from an on-the-job injury and avoids fraudulent or unnecessary prescribing of these pharmaceuticals.

We are confident that you will implement a sensible solution for the Texas workers' compensation system.

Sincerely,

  
Rep. René O. Oliveira  
Chairman

  
Rep. Hugh Shine  
Vice Chairman

Paul Workman • Nicole Collier • Jason Villalba • Jonathan Strickland • Ramon Romero, Jr.  
Committee Clerk: Angelina Lopez  
Angelina.Lopez\_HC@house.texas.gov

Commissioner Brannon  
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A handwritten signature in black ink that reads "Nicole Collier". The letters are cursive and connected.

Rep. Nicole Collier

A handwritten signature in black ink consisting of a large, stylized letter 'J' followed by a horizontal line.

Rep. Jason Villalba

A handwritten signature in black ink that reads "Ramon Romero, Jr.". The signature is highly stylized and cursive.

Rep. Ramon Romero, Jr.