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H.B. No. 26

A BILL TO BE ENTITLED

AN ACT

relating to requiring contracts with Medicaid managed care organizations to permit the organizations to offer nutrition support services in lieu of other state Medicaid plan services.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 540.0272, Government Code, as effective April 1, 2025, is amended to read as follows:

Sec. 540.0272. CERTAIN SERVICES PERMITTED IN LIEU OF STATE MEDICAID PLAN SERVICES [~~OTHER MENTAL HEALTH OR SUBSTANCE USE DISORDER SERVICES~~]; ANNUAL REPORT. (a) A contract to which this subchapter applies must contain language permitting the contracting Medicaid managed care organization to offer medically appropriate, cost-effective, evidence-based mental health or substance use services or nutrition support services from a list of services approved by the state Medicaid managed care advisory committee and included in the contract in lieu of [~~mental health or substance use disorder~~] services specified in the state Medicaid plan. A recipient is not required to use a service from the list included in the contract in lieu of another [~~mental health or substance use disorder~~] service specified in the state Medicaid plan.

(b) The commission shall:

(1) prepare and submit to the legislature an annual report on the number of times during the preceding year a service

1 from the list included in the contract is used; and

2 (2) consider the actual cost and use of any services  
3 from the list included in the contract that are offered by a  
4 Medicaid managed care organization when setting the capitation  
5 rates for that organization under the contract.

6 (c) In approving the list of nutrition support services that  
7 are permitted in lieu of services specified in the state Medicaid  
8 plan under this section, the state Medicaid managed care advisory  
9 committee shall ensure the list includes:

10 (1) nutrition counseling and instruction; and

11 (2) other nutrition support services provided to a  
12 recipient for a limited duration, as the commission determines, in  
13 coordination with nutrition counseling and instruction.

14 SECTION 2. The changes in law made by this Act apply to a  
15 contract entered into or renewed on or after the effective date of  
16 this Act. A contract entered into or renewed before that date is  
17 governed by the law in effect on the date the contract was entered  
18 into or renewed, and that law is continued in effect for that  
19 purpose.

20 SECTION 3. If before implementing any provision of this Act  
21 a state agency determines that a waiver or authorization from a  
22 federal agency is necessary for implementation of that provision,  
23 the agency affected by the provision shall request the waiver or  
24 authorization and may delay implementing that provision until the  
25 waiver or authorization is granted.

26 SECTION 4. This Act takes effect September 1, 2025.