

## **BILL ANALYSIS**

H.B. 2142  
By: Naishtat  
Human Services  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Prior to the 77th Legislative Session, individuals receiving community-based services in the Department of Human Services waiver programs would lose eligibility for those services when their needs and associated program costs increased to exceed the individual cost ceilings required to demonstrate cost-neutrality.

To address this issue, the 77th Legislature enacted Rider 7(b), as part of the General Appropriations Act, which directed the Department of Human Services to monitor and maintain cost-neutrality in the aggregate for Community Based Alternatives and all other Medicaid waiver programs at the Department of Human Services.

House Bill 2142 would codify Rider 7(b) and would “grandfather in” those individuals who are receiving community-based services through Rider 7(b) authority on September 1, 2003, and would impose a cap of 133.3% of an individual’s cost limit for other individuals who are receiving services through a community waiver program, and whose costs might exceed the individual’s cost limit, as long as to do so would not jeopardize the department’s ability to maintain federal requirements of budget neutrality of the program.

### **RULEMAKING AUTHORITY**

This bill does not expressly delegate any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

House Bill 2142 prohibits the Department of Human Services (department) from providing services to an individual in one or more of the Medicaid community waiver programs when the cost of providing those services exceeds the individual cost limit specified in the waiver program.

HB 2142 authorizes the department to continue providing services to an individual in a Medicaid community waiver program on September 1, 2003, if the continuation of services is necessary for the person to live in the most integrated setting, and continuing the provision of those services does not effect the department’s compliance with the federal requirements on waiver programs of cost-neutrality. The bill would also authorize the department to continue serving an individual in a community waiver program that does not meet the above criteria if the cost of serving that individual in the community does not exceed 133.3% of the individual cost limit and does not interfere with the department’s compliance with federal requirements of program cost-neutrality.

HB 2142 authorizes the Texas Board of Human Services or the Commissioner of the Department of Human Services to exempt a person from the 133.3% cost limit if the board or commissioner finds an undue hardship to the person in providing comparable services at the appropriate institution.

### **EFFECTIVE DATE**

September 1, 2003.

