

BILL ANALYSIS

H.B. 2469
By: Uresti
Human Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, the Health and Human Services Commission is required to procure all contracts with a third party administrator or other entity through a competitive procurement process in compliance with all applicable federal and state laws or regulations. The Texas Department of Human Services (DHS) currently deems eligible approximately half of the Children's Health Insurance Program (CHIP) participants, taking the applicants' information and transmitting the data to a private company is contracted to perform the eligibility and marketing of CHIP. The private company is currently paid an average of \$2.5 million each month for this service or approximately \$30 million per year, according to the state Medicaid Office. House Bill 2469 removes the requirement that the contract procurement process be done with a third party administrator or other entity when contracting under provisions for the child health plan for low-income children, transferring the responsibilities for eligibility determination and enrollment to DHS.

RULEMAKING AUTHORITY

It is the opinion of the author that no additional rulemaking authority is expressly designated to any state officer, department, agency, or institution.

ANALYSIS

House Bill 2469 amends the Health and Safety Code by revising requirements for the Health and Human Services Commission when contacting under provisions pertaining to the child health plan for certain low-income children.

HB 2469 repeals the following laws:
Section 62.053 (b), Health and Safety Code; and
Sections 62.055 (a), (b), (c), and (d), Health and Safety Code.

EFFECTIVE DATE

September 1, 2003.