

BILL ANALYSIS

Senate Research Center
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S.B. 327
By: Janek
Health & Human Services
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As Filed

DIGEST AND PURPOSE

Current Texas law does not provide programs for Medicaid-ineligible individuals with chronic diseases or conditions with assistance to help them better understand and manage their conditions. Such disease management programs aim to lower state costs and increase recipients' quality of health by reducing hospital and emergency room visits. As proposed, S.B. 327 requires the Health and Human Services Commission to request contract proposals from disease management program providers and to conduct research on the potential for state savings through the use of such programs.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Health and Human Services Commission in SECTION 1 (Section 32.059, Human Resources Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 32B, Human Resources Code, by adding Section 32.059, as follows:

Sec. 32.059. CONTRACTS FOR DISEASE MANAGEMENT PROGRAMS. (a) Requires the Health and Human Services Commission (HHS) to request contract proposals from providers of disease management programs to provide program services to medical care recipients who have certain diseases or other chronic health conditions that HHS determines need disease management, and who are not eligible to receive those services under a Medicaid managed care plan.

(b) Requires HHS to specifically request proposals to provide disease management program services for pregnant women and children who reside in the Rio Grande Valley who are recipients of medical assistance, receive treatments of asthma-related health conditions, and who are not eligible to receive those services under a Medicaid managed care plan.

(c) Authorizes HHS to contract with a private entity to perform certain tasks relating to the implementation of this section.

(d) Requires HHS to prescribe, by rule, the minimum requirements that a provider of a disease management program must meet in order to be eligible to receive a contract under this section.

(e) Prohibits HHS from awarding a contract for a disease management program under this section unless the contract contains a written guarantee of state savings on expenditures for the group of medical assistance recipients covered by the program.

SECTION 2. (a) Requires HHS to conduct a study to analyze the potential for state savings through the use of programs under Section 32.059, Human Resources Code, as added by this Act. Specifies

that the study must include certain information.

(b) Requires HHS to consider results of the study when requesting contract proposals under Section 32.059, as added by this Act.

(c) Authorizes HHS to contract with a private entity to conduct a study and produce a report under this section.

(d) Requires HHS to complete the study required by this section by December 31, 2003.

SECTION 3. Authorizes an agency to delay implementation of any provision of this act while requesting a waiver or authorization from a federal agency, if the agency determines that such a waiver is necessary for implementation of that provision.

SECTION 4. Effective date: September 1, 2003.