

BILL ANALYSIS

Senate Research Center

S.B. 1862
By: Bivins
Finance
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Enrolled

DIGEST AND PURPOSE

S.B. 1862 adds each facility owned by the Texas Department of Mental Health and Mental Retardation (TDMHMR) to the list of certain facilities for which a quality assurance fee is imposed. This bill also requires TDMHMR to pay certain fees and authorizes the Health and Human Services Commission to use money in the quality assurance fund, together with any federal money available to match that money, for certain purposes and under certain conditions.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Department of Human Services in SECTION 7 (Section 32.025, Human Resources Code) and SECTION 8 (Section 32.026, Human Resources Code) of this bill.

Rulemaking authority is expressly granted to the commissioner of health and human services in SECTION 10 (Section 32.0462, Human Resources Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. (a) Amends Section 252.202(a), Health and Safety Code, to add each facility owned by the Texas Department of Mental Health and Mental Retardation (TDMHMR) to the list of certain facilities for which a quality assurance fee is imposed.

(b) Requires TDMHMR, not later than August 31, 2003, to pay for each facility owned by TDMHMR the quality assurance fee imposed by Section 252.202, Health and Safety Code, as amended by this section, for patient days occurring between two certain dates. Provides that TDMHMR is not required to pay that quality assurance fee as provided by this subsection if this section does not take effect before a certain date and, in that event, prohibits any appropriation made to TDMHMR for that purpose from being made available to TDMHMR for that purpose.

SECTION 2. Amends Section 252.203, Health and Safety Code, to delete text relating to the number of beds that are on hold on that day and that have been placed on hold for a period not to exceed three consecutive calendar day during which a patient is in a hospital from the formula used by a facility to determine the number of patient days for each calendar day. Deletes "home" as a modifier for "leave." Redesignates existing Subdivision (3) as (2). Makes a nonsubstantive change.

SECTION 3. Amends Section 252.204(b), Health and Safety Code, to require each facility to file a certain report with certain entities not later than the 20th, rather than 10th, day after the last day of the month.

SECTION 4. (a) Amends Sections 252.207(a) and (c), Health and Safety Code, as follows:

(a) Authorizes, rather than requires, the Health and Human Services Commission (HHSC), subject to legislative appropriation and state and federal law, to use money in the quality assurance fund, together with any federal money available to match that money, for certain purposes. Makes nonsubstantive changes.

(c) Requires HHSC, if money in the quality assurance fund is used to increase a reimbursement rate in the Medicaid program, to ensure that the reimbursement methodology used to set that rate, rather than the formula devised under Subsection (b), provides incentives to increase direct care staffing and direct care wages and benefits.

(b) Repealer: Section 252.207(b) (regarding reimbursement of facilities), Health and Safety Code.

SECTION 5. (a) Amends Section 31.032(d), Human Resources Code, to require the Texas Department of Human Services (TDHS), in determining whether an applicant is eligible for assistance, to exclude certain money from the applicant's available resources.

(b) Provides that Section 31.032(d), Human Resources Code, as amended by this section, applies to a person receiving financial assistance on or after the effective date of the Act, regardless of the date on which eligibility for financial assistance was determined.

SECTION 6. Amends Section 32.024(i), Human Resources Code, to require TDHS in its adoption of rules to establish a medically needy program that serves pregnant women, children, and caretakers who have high medical expenses, subject to appropriated state funds.

SECTION 7. Amends Section 32.025(e), Human Resources Code, to require TDHS to permit an application requesting medical assistance for a child under 19 years of age to be conducted by mail instead of through a personal appearance at a TDHS office, unless certain conditions apply. Authorizes TDHS, by rule, to develop procedures requiring an application for a child described by this subsection to be conducted through a personal interview with a TDHS representative only if certain conditions apply.

SECTION 8. Amends Section 32.026, Human Resources Code, by amending Subsection (e) and adding Subsection (g), as follows:

(e) Authorizes TDHS, by rule, to develop procedures to determine whether there is a need for a recertification review of a child described by this subsection to be conducted through a personal interview with a TDHS representative. Requires procedures developed under this subsection to be based on certain factors and conditions and to focus on a targeted group of recertification reviews for which there is a high probability that eligibility will not be recertified. Makes a conforming change.

(g) Authorizes TDHS, notwithstanding any other provision of this code, to use information obtained from a third party to verify the assets and resources of a person for purposes of determining the person's eligibility and need for medical assistance. Provides that third-party information includes information from certain sources.

SECTION 9. Amends Sections 32.027(b) and (e), to make conforming changes relating to certain appropriated state funds. Makes nonsubstantive changes.

SECTION 10. Amends Subchapter B, Chapter 32, Human Resources Code, by adding Section 32.0462, as follows:

Sec. 32.0642. **VENDOR DRUG PROGRAM; PRICING STANDARD.** (a) Requires TDHS, notwithstanding any other provision of state law, to take certain actions.

(b) Requires the commissioner of human services (commissioner) to adopt rules implementing this section. Requires the commissioner, in adopting rules, to ensure that implementation of this section does not adversely affect the amount of federal funds available to the state for providing benefits under the vendor drug program.

SECTION 11. Amends Section 10(c), Chapter 584, Acts of the 77th Legislature, Regular Session, 2001, to require the Health and Human Services Commission or the appropriate state

agency operating part of the medical assistance program under Chapter 32, Human Resources Code, to adopt rules required by Section 32.0261, Human Resources Code, as added by this Act, so that the rules take effect in accordance with that section not earlier than September 1, 2005, rather than September 1, 2002, or later than June 1, 2003.

SECTION 12. Provides that in the event of a conflict between a provision of this Act and another Act passed by the 78th Legislature, Regular Session, 2003, that becomes law, this Act prevails and controls regardless of the relative dates of enactment.

SECTION 13. Provides that notwithstanding any other statute of this state, each health and human services agency, as defined by Section 531.001 (Definitions), Government Code, is authorized to reduce expenditures by taking certain actions.

SECTION 14. Authorizes a state agency to delay implementing a provision of this Act until a requested federal waiver or authorization necessary to implement that provision is granted and requires the affected agency to request a waiver of authorization if the agency determines it is necessary.

SECTION 15. Effective date: upon passage or September 1, 2003.