

By: Delisi

H.B. No. 1735

A BILL TO BE ENTITLED

AN ACT

relating to disease management services under certain state-funded or state-administered health plans.

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

SECTION 1. Subchapter D, Chapter 62, Health and Safety Code, is amended by adding Section 62.159 to read as follows:

Sec. 62.159. DISEASE MANAGEMENT SERVICES. (a) In this section, "disease management services" means services to assist a child manage a disease or other chronic health condition such as heart disease, diabetes, respiratory illness, end-stage renal disease, HIV infection, or AIDS.

(b) The child health plan must provide disease management services or coverage for disease management services in the manner required by the commission.

(c) The commission shall study the benefits and costs of applying disease management principles in the delivery of services to children with chronic health conditions. The commission shall report the results of the study to the governor, lieutenant governor, and speaker of the house of representatives not later than December 1, 2004. In conducting the study, the commission shall evaluate the effectiveness of those principles in:

(1) reducing long-term health care costs under the child health plan;

(2) improving patient care, including the

1 coordination of that care; and

2 (3) improving utilization patterns under the child
3 health plan.

4 (d) The commission may conduct the study under Subsection
5 (c) in conjunction with an academic center.

6 (e) Subsections (c) and (d) and this subsection expire
7 January 1, 2005.

8 SECTION 2. Subchapter E, Chapter 3, Insurance Code, is
9 amended by adding Article 3.50-7B to read as follows:

10 Art. 3.50-7B. DISEASE MANAGEMENT SERVICES. (a) In this
11 article, "disease management services" means services to assist an
12 individual manage a disease or other chronic health condition such
13 as heart disease, diabetes, respiratory illness, end-stage renal
14 disease, HIV infection, or AIDS.

15 (b) A health coverage plan provided under the uniform group
16 coverage program established under Article 3.50-7 of this code must
17 provide disease management services or coverage for disease
18 management services in the manner required by the Teacher
19 Retirement System of Texas.

20 (c) The Teacher Retirement System of Texas shall study the
21 benefits and costs of applying disease management principles in the
22 delivery of services to uniform group coverage program participants
23 with chronic health conditions. The system shall report the
24 results of the study to the governor, lieutenant governor, and
25 speaker of the house of representatives not later than December 1,
26 2004. In conducting the study, the system shall evaluate the
27 effectiveness of those principles in:

1 (1) reducing long-term health care costs under the
2 uniform group coverage program;

3 (2) improving patient care, including the
4 coordination of that care; and

5 (3) improving utilization patterns under the uniform
6 group coverage program.

7 (d) The Teacher Retirement System of Texas may conduct the
8 study under Subsection (c) of this article in conjunction with an
9 academic center.

10 (e) Subsections (c) and (d) of this article and this
11 subsection expire January 1, 2005.

12 SECTION 3. Subchapter E, Chapter 1551, Insurance Code, as
13 effective June 1, 2003, is amended by adding Section 1551.219 to
14 read as follows:

15 Sec. 1551.219. DISEASE MANAGEMENT SERVICES. (a) In this
16 section, "disease management services" means services to assist an
17 individual manage a disease or other chronic health condition such
18 as heart disease, diabetes, respiratory illness, end-stage renal
19 disease, HIV infection, or AIDS.

20 (b) A group health benefit plan offered under the group
21 benefits program must provide disease management services or
22 coverage for disease management services in the manner required by
23 the board of trustees.

24 (c) The board of trustees shall study the benefits and costs
25 of applying disease management principles in the delivery of
26 services to participants in the group benefits program. The board
27 shall report the results of the study to the governor, lieutenant

1 governor, and speaker of the house of representatives not later
2 than December 1, 2004. In conducting the study, the board shall
3 evaluate the effectiveness of those principles in:

4 (1) reducing long-term health care costs under the
5 group benefits program;

6 (2) improving patient care, including the
7 coordination of that care; and

8 (3) improving utilization patterns under the group
9 benefits program.

10 (d) The board of trustees may conduct the study under
11 Subsection (c) in conjunction with an academic center.

12 (e) Subsections (c) and (d) and this subsection expire
13 January 1, 2005.

14 SECTION 4. Subchapter D, Chapter 1575, Insurance Code, as
15 effective June 1, 2003, is amended by adding Section 1575.162 to
16 read as follows:

17 Sec. 1575.162. DISEASE MANAGEMENT SERVICES. (a) In this
18 section, "disease management services" means services to assist an
19 individual manage a disease or other chronic health condition such
20 as heart disease, diabetes, respiratory illness, end-stage renal
21 disease, HIV infection, or AIDS.

22 (b) A health benefit plan provided under this chapter must
23 provide disease management services or coverage for disease
24 management services in the manner required by the Teacher
25 Retirement System of Texas.

26 (c) The Teacher Retirement System of Texas shall study the
27 benefits and costs of applying disease management principles in the

1 delivery of services to participants in the group program. The
2 system shall report the results of the study to the governor,
3 lieutenant governor, and speaker of the house of representatives
4 not later than December 1, 2004. In conducting the study, the system
5 shall evaluate the effectiveness of those principles in:

6 (1) reducing long-term health care costs under the
7 group program;

8 (2) improving patient care, including the
9 coordination of that care; and

10 (3) improving utilization patterns under the group
11 program.

12 (d) The Teacher Retirement System of Texas may conduct the
13 study under Subsection (c) in conjunction with an academic center.

14 (e) Subsections (c) and (d) and this subsection expire
15 January 1, 2005.

16 SECTION 5. Subchapter C, Chapter 1601, Insurance Code, as
17 effective June 1, 2003, is amended by adding Section 1601.110 to
18 read as follows:

19 Sec. 1601.110. DISEASE MANAGEMENT SERVICES. (a) In this
20 section, "disease management services" means services to assist an
21 individual manage a disease or other chronic health condition such
22 as heart disease, diabetes, respiratory illness, end-stage renal
23 disease, HIV infection, or AIDS.

24 (b) A health benefit plan provided under this chapter must
25 provide disease management services or coverage for disease
26 management services in the manner required by the governing board
27 of a system.

1 (c) The governing board of each system shall study the
2 benefits and costs of applying disease management principles in the
3 delivery of services to participants in the uniform program
4 provided by the system. The board shall report the results of the
5 study to the governor, lieutenant governor, and speaker of the
6 house of representatives not later than December 1, 2004. In
7 conducting the study, the board shall evaluate the effectiveness of
8 those principles in:

9 (1) reducing long-term health care costs under the
10 uniform program provided by the system;

11 (2) improving patient care, including the
12 coordination of that care; and

13 (3) improving utilization patterns under the uniform
14 program provided by the system.

15 (d) The governing board of a system may conduct the study
16 under Subsection (c) in conjunction with an academic center.

17 (e) Subsections (c) and (d) and this subsection expire
18 January 1, 2005.

19 SECTION 6. Subchapter E, Chapter 501, Government Code, is
20 amended by adding Section 501.149 to read as follows:

21 Sec. 501.149. DISEASE MANAGEMENT SERVICES. (a) In this
22 section, "disease management services" means services to assist a
23 person manage a disease or other chronic health condition such as
24 heart disease, diabetes, respiratory illness, end-stage renal
25 disease, HIV infection, or AIDS.

26 (b) A managed health care plan must provide disease
27 management services in the manner required by the committee.

1 (c) The committee shall study the benefits and costs of
2 applying disease management principles in the delivery of services
3 to participants in a managed health care plan. The committee shall
4 report the results of the study to the governor, lieutenant
5 governor, and speaker of the house of representatives not later
6 than December 1, 2004. In conducting the study, the committee shall
7 evaluate the effectiveness of those principles in:

8 (1) reducing long-term health care costs under the
9 managed health care plan;

10 (2) improving patient care, including the
11 coordination of that care; and

12 (3) improving utilization patterns under the managed
13 health care plan.

14 (d) The committee may conduct the study under Subsection (c)
15 in conjunction with an academic center.

16 (e) Subsections (c) and (d) and this subsection expire
17 January 1, 2005.

18 SECTION 7. Section 533.009, Government Code, is amended by
19 amending Subsections (a) and (b) and adding Subsection (d) to read
20 as follows:

21 (a) The commission shall ensure that managed care
22 organizations under contract with the commission to provide health
23 care services to recipients develop and implement special disease
24 management programs to manage a disease or other ~~[address]~~ chronic
25 health condition ~~[conditions]~~, such as heart disease, respiratory
26 illness including asthma, ~~[and]~~ diabetes, end-stage renal disease,
27 HIV infection, or AIDS, and use outcome measures to assess the

1 programs.

2 (b) The commission shall study the benefits and costs of
3 applying disease management principles in the delivery of Medicaid
4 managed care services to recipients with chronic health conditions.
5 The commission shall report the results of the study to the
6 governor, lieutenant governor, and speaker of the house of
7 representatives not later than December 1, 2004. In conducting the
8 study, the commission shall evaluate the effectiveness of those
9 principles in:

10 (1) reducing long-term health care costs under the
11 Medicaid managed care program;

12 (2) improving patient care, including the
13 coordination of that care; and

14 (3) improving utilization patterns of recipients.

15 (d) Subsections (b) and (c) and this subsection expire
16 January 1, 2005.

17 SECTION 8. The state child health plan, each health
18 coverage plan provided under Article 3.50-7, Insurance Code, each
19 health benefit plan provided under Chapter 1551, 1575, or 1601,
20 Insurance Code, the managed health care plan provided under
21 Subchapter E, Chapter 501, Government Code, and a Medicaid managed
22 care plan subject to Chapter 533, Government Code, shall provide
23 disease management services or coverage for disease management
24 services in accordance with this Act as soon as practicable after
25 the effective date of this Act, but not later than January 1, 2004.

26 SECTION 9. This Act takes effect immediately if it receives
27 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2003.