

By: Janek

S.B. No. 327

A BILL TO BE ENTITLED

AN ACT

relating to disease management programs for certain Medicaid recipients.

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

SECTION 1. Subchapter B, Chapter 32, Human Resources Code, is amended by adding Section 32.059 to read as follows:

Sec. 32.059. CONTRACTS FOR DISEASE MANAGEMENT PROGRAMS.

(a) The department shall request contract proposals from providers of disease management programs to provide program services to recipients of medical assistance who:

(1) have a disease or other chronic health condition, such as heart disease, diabetes, respiratory illness, end-stage renal disease, HIV infection, or AIDS, that the department determines is a disease or condition that needs disease management; and

(2) are not eligible to receive those services under a Medicaid managed care plan.

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

(c) The department may contract with a private entity to:

- 1 (1) write the requests for proposals;
- 2 (2) determine how savings will be measured;
- 3 (3) identify populations that need disease
4 management; and
- 5 (4) develop appropriate contracts.

6 (d) The department, by rule, shall prescribe the minimum
7 requirements a provider of a disease management program must meet
8 to be eligible to receive a contract under this section.

9 (e) The department may not award a contract for a disease
10 management program under this section unless the contract includes
11 a written guarantee of state savings on expenditures for the group
12 of medical assistance recipients covered by the program.

13 SECTION 2. (a) The Health and Human Services Commission
14 shall conduct a study to analyze the potential for state savings
15 through the use of disease management programs for recipients of
16 medical assistance under Section 32.059, Human Resources Code, as
17 added by this Act. The study must identify the diseases and chronic
18 health conditions that:

- 19 (1) result in the highest medical assistance
20 expenditures by this state; and
- 21 (2) show the greatest potential for state savings on
22 implementation of disease management programs.

23 (b) The Health and Human Services Commission shall consider
24 the results of the study when requesting contract proposals under
25 Section 32.059, Human Resources Code, as added by this Act.

26 (c) The Health and Human Services Commission may contract
27 with a private entity to conduct a study and produce a report under

1 this section.

2 (d) The Health and Human Services Commission shall complete
3 the study required by this section not later than December 31, 2003.

4 SECTION 3. If before implementing any provision of this Act
5 a state agency determines that a waiver or authorization from a
6 federal agency is necessary for implementation of that provision,
7 the agency affected by the provision shall request the waiver or
8 authorization and may delay implementing that provision until the
9 waiver or authorization is granted.

10 SECTION 4. This Act takes effect September 1, 2003.