

By: Shapleigh

S.B. No. 398

A BILL TO BE ENTITLED

AN ACT

1
2 relating to rates and expenditures under the Medicaid program and
3 the state child health plan program in certain strategic investment
4 areas.

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

6 SECTION 1. Subchapter B, Chapter 531, Government Code, is
7 amended by adding Section 531.0224 to read as follows:

8 Sec. 531.0224. RATES AND EXPENDITURES IN CERTAIN STRATEGIC
9 INVESTMENT AREAS. (a) In this section:

10 (1) "Child health plan program" means the state child
11 health plan program authorized by Chapter 62, Health and Safety
12 Code.

13 (2) "Strategic investment area" means an area of this
14 state that qualifies as a strategic investment area under
15 Subchapter O, Chapter 171, Tax Code, or, if that subchapter expires
16 or is repealed, an area that qualified as a strategic investment
17 area under that subchapter immediately before its expiration or
18 repeal.

19 (b) The commission shall ensure in each strategic
20 investment area that:

21 (1) the capitation rates under the Medicaid managed
22 care program and the child health plan program are at least equal to
23 the respective statewide average capitation rates under those
24 programs;

1 (2) the fee-for-service reimbursement rates for
2 inpatient and outpatient hospital services under the Medicaid
3 program and the child health plan program are at least equal to the
4 respective statewide average reimbursement rates for those
5 services under those programs;

6 (3) the total professional services expenditures per
7 Medicaid recipient in the strategic investment area result in an
8 average expenditure per recipient in that area that is at least
9 equal to the statewide average expenditure per Medicaid recipient;
10 and

11 (4) the total professional services expenditures per
12 enrollee under the child health plan program in the strategic
13 investment area result in an average expenditure per enrollee in
14 that area that is at least equal to the statewide average
15 expenditure per enrollee under that program.

16 (c) For purposes of Subsection (b), the commission shall
17 exclude data from strategic investment areas in determining the
18 statewide averages for capitation rates, fee-for-service
19 reimbursement rates, and professional services expenditures.

20 SECTION 2. The changes in rates and expenditures required
21 by Section 531.0224, Government Code, as added by this Act, must be
22 implemented not later than September 1, 2004.

23 SECTION 3. If before implementing any provision of this Act
24 a state agency determines that a waiver or authorization from a
25 federal agency is necessary for implementation of that provision,
26 the agency affected by the provision shall request the waiver or
27 authorization and may delay implementing that provision until the

1 waiver or authorization is granted.

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