

By: Lindsay

S.B. No. 427

A BILL TO BE ENTITLED

AN ACT

1
2 relating to authorizing the state to contract with certain local
3 governmental entities to provide Medicaid eligibility
4 determination services.

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

6 SECTION 1. Subchapter B, Chapter 32, Human Resources Code,
7 is amended by adding Section 32.0252 to read as follows:

8 Sec. 32.0252. CONTRACT TO PROVIDE ELIGIBILITY
9 DETERMINATION SERVICES. (a) To the extent allowed by federal law,
10 and except as otherwise provided by this section, the department
11 may contract for the provision of medical assistance eligibility
12 determination services with:

13 (1) a hospital district created under the authority of
14 Sections 4-11, Article IX, Texas Constitution;

15 (2) a hospital authority created under the authority
16 of Chapter 262 or 264, Health and Safety Code, that uses resources
17 to provide health care services to indigent persons to some extent;

18 (3) a hospital owned and operated by a municipality or
19 county or by a hospital authority created under the authority of
20 Chapter 262 or 264, Health and Safety Code;

21 (4) a medical school operated by this state;

22 (5) a medical school that receives state money under
23 Section 61.093, Education Code, or a chiropractic school that
24 receives state money under the General Appropriations Act;

1 (6) a teaching hospital operated by The University of
2 Texas System;

3 (7) a county that is required to provide health care
4 assistance to eligible county residents under Subchapter B, Chapter
5 61, Health and Safety Code;

6 (8) a governmental entity that is required to provide
7 money to a public hospital under Section 61.062, Health and Safety
8 Code;

9 (9) a county with a population of more than 400,000
10 that provides money to a public hospital and that is not included in
11 the boundaries of a hospital district;

12 (10) a hospital owned by a municipality and leased to
13 and operated by a nonprofit hospital for a public purpose;

14 (11) a hospital that receives Medicaid
15 disproportionate share payments;

16 (12) a community mental health and mental retardation
17 center;

18 (13) a local mental health or mental retardation
19 authority;

20 (14) a local health department or public health
21 district;

22 (15) a school-based health center;

23 (16) a community health center;

24 (17) a federally qualified health center; and

25 (18) a health services district created under the
26 authority of Chapter 287, Health and Safety Code.

27 (b) The department may contract with an entity described by

1 Subsection (a) for the entity to designate one or more employees of
2 the entity to process medical assistance application forms and
3 conduct client interviews for eligibility determinations.

4 (c) Except as provided by Subsection (d), the contract must
5 require each designated employee to submit completed application
6 forms to the appropriate agency as determined by the department so
7 the appropriate agency can make a final determination of
8 eligibility and enroll eligible persons in the program.

9 (d) Notwithstanding Subsection (c), the commissioner may
10 apply for federal authorization to allow a designated employee of
11 an entity described by Subsection (a) to make a final determination
12 of eligibility or enroll an eligible person in the program.

13 (e) The department may:

14 (1) monitor the eligibility and application
15 processing program used by an entity with which the department
16 contracts; and

17 (2) provide on-site supervision of the program for
18 quality control.

19 (f) The Health and Human Services Commission shall ensure
20 that there are adequate protections to avoid a conflict of interest
21 with an entity described by Subsection (a) that has a contract for
22 eligibility determination services and also has a contract, either
23 directly or through an affiliated entity, as a managed care
24 organization for the medical assistance program or for the child
25 health plan program under Chapter 62, Health and Safety Code. The
26 commission shall ensure that there are adequate protections for
27 recipients to freely choose a health plan without being

1 inappropriately induced to join an entity's health plan.

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