

By: Bivins

S.B. No. 1862

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to statutory authority to reduce appropriations made by  
3 the legislature to certain governmental entities providing health  
4 services, human services, and related services.

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

6 SECTION 1. Notwithstanding any statute to the contrary, the  
7 legislature, in its discretion, may determine the amount of each  
8 appropriation of state funds. The amounts required by statute for  
9 entities that receive state funds under Article II of the General  
10 Appropriations Act may be reduced or eliminated in order to achieve  
11 a balanced budget.

12 SECTION 2. Notwithstanding any statute to the contrary,  
13 each health and human services agency, including any agency listed  
14 in Section 531.001, Government Code, shall reduce its  
15 expenditures, through a reduction in services provided or through a  
16 reduction in other activities of the agency, as necessary to  
17 operate within the amounts appropriated to the agency under Article  
18 II of the General Appropriations Act. The comptroller of public  
19 accounts or the commissioner of health and human services, as  
20 appropriate, may direct an agency to reduce services or activities  
21 in accordance with this section.

22 SECTION 3. The Texas Commission for the Blind shall take any  
23 action necessary to operate the blindness education, screening, and  
24 treatment program and other commission programs using available

1 funds.

2 SECTION 4. The Interagency Council on Early Childhood  
3 Intervention shall reduce expenditures by:

4 (1) reducing, by 38 percent, activities to provide  
5 intervention services for children with developmental delay or  
6 children at risk of developmental delay and the families of those  
7 children; and

8 (2) reducing and streamlining activities necessary in  
9 relation to determining whether children are eligible for services  
10 provided under the jurisdiction of the council and providing less  
11 comprehensive services to eligible children while seeking to  
12 maximize federal funds available under the Individuals with  
13 Disabilities Education Act (IDEA) (20 U.S.C. Section 1471 et seq.)  
14 or other law.

15 SECTION 5. The advisory committee to the Interagency  
16 Council on Early Childhood Intervention is abolished.

17 SECTION 6. Notwithstanding Subchapter G, Chapter 403,  
18 Government Code, the legislature may appropriate the available  
19 earnings of any permanent fund established under that subchapter  
20 and derived from tobacco proceeds to any strategy identified under  
21 Article II of the General Appropriations Act. The comptroller  
22 shall transfer funds from the permanent funds established under  
23 Subchapter G, Chapter 403, Government Code, as necessary to  
24 implement this section.

25 SECTION 7. The Texas Department of Health shall reduce  
26 expenditures by consolidating operations and functions of the Texas  
27 Primary Health Care Services Act and the Indigent Health Care and

1 Treatment Act.

2 SECTION 8. Notwithstanding Section 466.408, Government  
3 Code, or any other law, unclaimed lottery proceeds collected and  
4 deposited to the state-owned multicategorical teaching hospital  
5 account may be appropriated to fund the Texas Health Steps program  
6 (EPSDT).

7 SECTION 9. The Health and Human Services Commission and  
8 other agencies responsible for administration of the state Medicaid  
9 program shall reduce expenditures in that program by:

10 (1) eliminating benefits for persons eligible to  
11 receive benefits under the medically needy program;

12 (2) reducing the income eligibility limit for children  
13 under one year of age from 185 percent of the federal poverty level  
14 to 133 percent of the federal poverty level;

15 (3) reducing the period of continuous eligibility for  
16 a Medicaid recipient who is a child under 19 years of age until the  
17 earlier of the 180th day after the date on which the child's  
18 eligibility was determined or the child's 19th birthday;

19 (4) reducing and streamlining activities or imposing  
20 additional requirements necessary in relation to determining  
21 whether children are eligible for Medicaid benefits and related  
22 benefits;

23 (5) reducing the income eligibility limit from 300  
24 percent of the maximum Supplemental Security Income benefit rate to  
25 100 percent of the maximum Supplemental Security Income benefit  
26 rate for certain aged, blind, or disabled persons, including  
27 persons who are residents of long-term care facilities and persons

1 who are not residents of long-term care facilities, whose  
2 eligibility is based on the person's Supplemental Security Income;

3 (6) paying out-of-pocket costs under Medicare for  
4 individuals who are dually eligible for Medicaid and Medicare only  
5 to the extent required under federal law to accomplish cost savings  
6 under Subdivision (5) of this section;

7 (7) terminating Medicaid eligibility for adults who  
8 are receiving benefits in accordance with the Temporary Assistance  
9 for Needy Families program and who fail to participate in a required  
10 employment services program;

11 (8) reducing the income eligibility limit for pregnant  
12 women from 185 percent of the federal poverty level to 133 percent  
13 of the federal poverty level;

14 (9) managing expenditures for drugs provided through  
15 the Medicaid vendor drug program by:

16 (A) establishing a preferred drug list for drugs  
17 provided to recipients through the program and requiring  
18 preauthorization for drugs not included on the preferred drug list;  
19 and

20 (B) obtaining supplemental rebates from drug  
21 manufacturers for drugs provided to recipients through the program;

22 (10) terminating funding for breast and cervical  
23 screening and diagnostic services and other related services made  
24 available under the breast and cervical cancer control program;

25 (11) terminating funding for graduate medical  
26 education payments;

27 (12) reducing and streamlining administrative

1 activities associated with health-related services provided to  
2 children in special education under the School Health and Related  
3 Services program;

4 (13) terminating funding for chemical dependency  
5 counseling and other substance abuse services;

6 (14) terminating funding for tuberculosis prevention  
7 and control services provided by tuberculosis control clinics;

8 (15) terminating funding for services provided to  
9 women and infants with high risk conditions under the Targeted Case  
10 Management for High Risk Pregnant Women and High Risk Infants  
11 program;

12 (16) ending programs to achieve system integration  
13 across state- and federally funded health programs to the extent  
14 the programs do not result in cost savings in the 2003-2005 fiscal  
15 biennium, as directed by the Health and Human Services Commission;

16 (17) waiving statutorily imposed deadlines for  
17 complying with informal dispute resolution procedures, including  
18 procedures for informal dispute resolution for certain long-term  
19 care facilities, as necessary to accomplish the purposes of the  
20 informal dispute resolution process within available resources;

21 (18) imposing the quality assurance fee assessed under  
22 Chapter 252, Health and Safety Code, on each facility owned by the  
23 Texas Department of Mental Health and Mental Retardation, making  
24 appropriate adjustments to the manner in which the fee is computed,  
25 and using the fee to increase reimbursement rates for services  
26 provided under the Medicaid program, for waiver programs for  
27 persons with mental retardation, or for any other purpose approved

1 by the governor and the Legislative Budget Board; and

2 (19) requesting any waiver or authorization from a  
3 federal agency determined to be necessary for implementation of any  
4 provision of this section.

5 SECTION 10. The Health and Human Services Commission and  
6 other agencies responsible for administration of the state child  
7 health plan program shall reduce expenditures in that program by:

8 (1) reducing the income eligibility limit for enrolled  
9 children from 200 percent of the federal poverty level to 150  
10 percent of the federal poverty level;

11 (2) managing expenditures for drugs provided through  
12 the program by establishing a preferred drug list for drugs  
13 provided to enrolled children through the program;

14 (3) eliminating the program to provide health benefits  
15 coverage to children who are qualified aliens;

16 (4) eliminating the program to provide health benefits  
17 coverage for children of employees of charter schools, school  
18 districts, and other educational districts;

19 (5) eliminating the program to provide basic coverage  
20 under the Texas Employees Group Benefits Act for dependent children  
21 of state employees;

22 (6) reducing the period of continuous eligibility for  
23 an enrolled child until the earlier of the 180th day after the date  
24 on which the child's eligibility was determined or the child's 19th  
25 birthday;

26 (7) applying a waiting period that extends for a  
27 period of 90 days after the date on which an enrolled child applies

1 for enrollment;

2 (8) increasing applicable copayments or other  
3 cost-sharing provisions; and

4 (9) requesting any waiver or authorization from a  
5 federal agency determined to be necessary for implementation of any  
6 provision of this section.

7 SECTION 11. The Texas Department of Human Services shall  
8 reduce expenditures by terminating the in-home and family support  
9 program to grant benefits to adults and children with disabilities  
10 who are living independently.

11 SECTION 12. The Texas Department of Mental Health and  
12 Mental Retardation shall reduce expenditures by:

13 (1) consolidating facilities providing services to  
14 persons with mental retardation while maintaining the total  
15 capacity of those facilities in this state;

16 (2) consolidating facilities providing services to  
17 persons with mental illness and operating those facilities at a  
18 reduced capacity; and

19 (3) reducing state funding for community hospitals  
20 providing services to persons with mental illness.

21 SECTION 13. Notwithstanding Section 2201.002, Government  
22 Code, or any other law, the Texas capital trust fund may be used in  
23 any manner necessary to support the infrastructure of facilities  
24 for persons with mental retardation and mental illness.

25 SECTION 14. The Department of Protective and Regulatory  
26 Services shall reduce expenditures by establishing monthly foster  
27 care reimbursement rates within available funding.

1           SECTION 15. (a) The Texas Rehabilitation Commission shall  
2 reduce expenditures by providing through the vocational  
3 rehabilitation program operated by the commission:

4                   (1) transition planning services to prepare persons  
5 with disabilities for a successful transition to employment; and

6                   (2) extended ongoing support services to enable  
7 individuals to achieve and maintain employment.

8           (b) Notwithstanding any other law, services described by  
9 Subsections (a)(1) and (2) of this section may not be provided  
10 separately from the vocational rehabilitation program operated by  
11 the Texas Rehabilitation Commission.

12           SECTION 16. This Act takes effect immediately if it  
13 receives a vote of two-thirds of all the members elected to each  
14 house, as provided by Section 39, Article III, Texas Constitution.  
15 If this Act does not receive the vote necessary for immediate  
16 effect, this Act takes effect September 1, 2003.