Amend **CSHB 2572** (House Committee Printing) as follows:

(1)   On page 1, line 21, strike "Subsection (e-1)" and substitute "Subsections (b-1) and (e-1)".

(2)   On page 2, between line 11 and line 12, insert the following:

(b-1)   This subsection expires September 1, 2007. Before the department institutes a change in payment methodology, the department shall:

(1)   evaluate various forms of payment for services including fee-for-service, case rate, capitation, and other appropriate payment methods to determine the most cost-effective and efficient form of payment for services;

(2)   evaluate the effect of each proposed payment methodology on:

(A)   the availability of services in urban and rural service areas;

(B)   the availability of services for persons who are indigent; and

(C)   the cost certainty of the delivery of Medicaid rehabilitation services;

(3)   develop an implementation plan for the new payment methodology that integrates the department's findings under Subdivisions (1) and (2); and

(4)   report the department's findings and the implementation plan for a new payment methodology to the legislature not later than January 1, 2007.

(3)   On page 3, line 1, after "provider" insert "only in accordance with Subsection (c)".

(4)   On page 3, line 24, strike "WAIVER" and substitute "[WAIVER]".

(5)   On page 6, line 19, strike "mental health and".

(6)   On page 7, line 23, strike "[(g)" and insert the following:

(g)   The Department of Aging and Disability Services shall ensure that local services delivered further the following goals:

(1)   to provide individuals with the information, skills, opportunities, and support to make informed decisions

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regarding the services for which the individual is eligible;

(2) to respect the rights, needs, and preferences of an individual receiving services; and

(3) to integrate individuals with mental retardation and developmental disabilities into the community in accordance with relevant independence promotion plans and permanency planning laws. [The