

BILL ANALYSIS

C.S.H.B. 691
By: Villarreal
Human Services
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Texas currently lacks comprehensive data regarding emergency room utilization among Medicaid patients, but studies demonstrate that parents often seek emergency room care for incidents that were treatable by a primary care physician. Additionally, health care costs are driven up by the fact that parents often take their children to the emergency room without consulting other health care professionals first.

In a survey of parents enrolled in CHIP and Medicaid conducted by Seton Healthcare in 2002, parents identified education and information as the number one solution to curtail unnecessary emergency room utilization. Parents specifically asked for information to help define a medical emergency, understand fever, and receive tips for homecare.

Health literacy projects have demonstrated significant cost savings by reducing unnecessary emergency room visits and other healthcare expenditures. For example, The Indigent Health Care program of Tom Green County, Texas was able to significantly reduce program expenditures by providing clients with medical self-care guides and training about management of health care problems.

The bill establishes a health literacy pilot project for Medicaid recipients with young children in Bexar County. The goal of the legislation is to demonstrate the effectiveness of health literacy training in reducing unnecessary emergency room visits and health costs for Medicaid recipients.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

The bill directs the Health and Human Services Commission (HHSC) to develop and implement a Medicaid health literacy pilot program in Bexar County under which Medicaid recipients with young children receive health information materials and training designed to improve their decision-making about health care options.

The bill requires that the pilot program establish a statistically significant test and control group, and provide the test group with health information materials in English and Spanish that are developed with consideration of the literacy level of the test group and provide information to guide health care decisions.

The bill directs HHSC to establish the pilot through a local governmental entity in Bexar County that chooses to participate, and requires the Commission to request participation by the Bexar County Hospital District and its subsidiary, Community First Health Plans.

The bill directs HHSC to ensure that the pilot program is financed using money provided by the participating local governmental entity and any corresponding federal matching money. The bill also allows the participating entity to provide money to HHSC to finance the program through certification or intergovernmental transfer, and requires HHSC to evaluate the program and

report to the Legislature regarding the results of the program and the feasibility of expanding the program statewide. The pilot program has an expiration date.

The bill provides that if a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of the program, that implementation may be delayed until the waiver or authorization is granted.

EFFECTIVE DATE

September 1, 2005

COMPARISON OF ORIGINAL TO SUBSTITUTE

The original bill included more detailed requirements for the pilot program, including provisions relating to an HHSC request for proposals for operation of the program, training for the test group, follow-up reminders to the test group, tracking health care costs, and providing status reports to HHSC. The original also includes certain timelines and benchmarks that are not in the substitute.

The substitute is more directive concerning the mechanism for local participation in Bexar County, and specifies the entities from which HHSC is to request participation. The substitute allows for the pilot program to be established using local funds, which can be matched by federal funds. This approach is intended to address the fiscal implications for state general revenue associated with the original bill.