

## **BILL ANALYSIS**

S.B. 626  
By: Zaffirini  
Public Health  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Under the community-based alternatives program, the Department of Aging and Disability Services adopted individual cost ceilings equal to the cost of serving an individual in a nursing home to ensure that the waiver program would be a cost-neutral alternative to a nursing home. However, individual cost ceilings have resulted in negative outcomes for some clients.

C.S.S.B. 626 applies an individual cap of 133.3 percent of an individual's cost limit for those individuals in waiver programs whose cost may exceed the allowable amount. The cost ceiling would normally only need to be raised for temporary periods as a person with a disability loses a caretaker or the school which cares for a child has a vacation period. Lack of community-based care in these periods leads to clients being placed in institutions, an undesirable outcome for clients wishing to live in and contribute to the community, and a more expensive outcome for the state than community-based alternatives.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 1 of this bill.

### **ANALYSIS**

The substitute defines "institution" and "medical assistance waiver program."

The substitute prohibits the Health and Human Services Commission (HHSC) or an agency operating part of the medical assistance program from providing services under a medical assistance waiver program to a person receiving medical assistance if the cost of providing those services exceeds the individual cost limit specified in the medical assistance waiver program (program).

The substitute requires HHSC or an agency operating part of the medical assistance program to continue to provide services under a program to a person who is receiving those services on September 1, 2005, at a cost that exceeds the individual cost limit specified in the medical assistance waiver under certain circumstances.

The substitute authorizes HHSC or an agency operating part of the medical assistance program to continue to provide services under a program to a person who is ineligible to receive those services under Subsection (b) and to whom Subsection (c) does not apply under certain circumstances.

The substitute authorizes the executive commissioner of HHSC to adopt rules under which HHSC or an agency operating part of the medical assistance program is authorized to exempt a person from the cost limit established under Subsection (d)(1).

The substitute provides that this Act applies to a person receiving medical assistance on or after the effective date of this Act, regardless of when eligibility for that assistance was determined.

### **EFFECTIVE DATE**

September 1, 2005.

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