

## **BILL ANALYSIS**

Senate Research Center

S.B. 626  
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Health and Human Services  
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As Filed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

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.

As proposed, 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**

Rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission is SECTION 1 (Section 32.058, Human Resources Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter B, Chapter 32, Human Resources Code, by adding Section 32.058, as follows:

Sec. 32.058. **LIMITATION ON MEDICAL ASSISTANCE IN CERTAIN ALTERNATIVE COMMUNITY-BASED CARE SETTINGS.** (a) Defines "institution" and "medical assistance waiver program."

(b) Prohibits the Health and Human Services Commission (HHSC) or an agency operating part of the medical assistance program, except as provided by Subsection (c) or (d), 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).

(c) Requires HHSC or an agency operating part of the medical assistance program to continue to provide services under a program to a person who exceeds the individual cost limit in Subsection (b) and who is receiving those services on September 1, 2005, under certain circumstances.

(d) 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.

(e) 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 of 133.3 percent of the individual cost limit specified in the program if HHSC or an agency operating

part of the medical assistance program finds that providing comparable services at the appropriate institution would impose an undue hardship on the person.

SECTION 2. 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.

SECTION 3. Effective date: September 1, 2005.