

BILL ANALYSIS

C.S.S.B. 873
By: Nelson
Public Health
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, there is no medical information telephone hotline for Medicaid recipients. Many people, including Medicaid recipients, utilize emergency rooms for non-emergency conditions, creating a public health problem and increasing the cost of health care. C.S.S.B. 873 directs the Health and Human Services Commission (HHSC) to create a pilot program that will provide a physician to answer medical questions by telephone from Medicaid enrollees to help prevent inappropriate use of the emergency room and direct them to the most appropriate type of care.

RULEMAKING AUTHORITY

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

ANALYSIS

C.S.S.B. 873 creates the Medicaid Medical Information Telephone Hotline pilot program. It defines "net-cost savings." The HHSC is required to evaluate the cost-effectiveness, in regard to preventing unnecessary emergency room visits and ensuring that Medicaid recipients seek medical treatment in the most medically appropriate and cost-effective setting, of developing a telephone hotline program for Medicaid recipients under which physicians are available by telephone to answer medical questions and provide information. The commission is required to develop the program if it is likely to result in net-cost savings. The commission is required to select an area for the pilot program which includes at least two counties and no more than 100,000 Medicaid recipients, with approximately fifty percent of the recipients enrolled in a managed care program in which the recipients receive services from a health maintenance organization. The commission is required to request proposals from private vendors for the operation of a telephone hotline if the vendor agrees to certain contractual terms. The contractual terms include: requiring the vendor to provide medical information and answer medical questions by phone to recipients using only physicians, providing the value of the contract is contingent on achievement of net cost-savings in the area served by the vendor, and permitting the commission to terminate the contract after a reasonable period if net cost-savings are not achieved. The commission is to periodically evaluate savings from the program, and is required to discontinue the program if it does not result in net-cost savings. The commission is not required to develop the program if suitable private vendors are not available.

The commission is required to determine whether there will be net-cost savings by December 1, 2005. By January 1, 2006, the HHSC is required to select counties for the pilot program. By February 1, 2006, the HHSC is required to request proposals from vendors. By January 1, 2007, the HHSC is required to report to the governor, lieutenant governor, and the speaker of the house regarding the pilot program. The report must include: a description of the pilot program; including whether the commission was unable to contract with a suitable vendor, if the pilot program has been implemented an evaluation of the effects of the pilot program on emergency room visits by program participants and a description of cost savings in the area included in the pilot program is required, and lastly, recommendations regarding expanding or revising the pilot program. The bill authorizes delay of implementation of any provision of this Act until necessary federal waivers or authorizations are obtained.

EFFECTIVE DATE

September 1, 2005.

C.S.S.B. 873 79(R)

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute removes the definition of "physician" and removes the provision that a physician's participation in the telephone pilot project does not constitute the practice of medicine in this state.