By: Delisi H.B. No. 2479

A BILL TO BE ENTITLED

| 1 | AN ACT | | | | |
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| 2 | relating to health and human services in this state. | | | | |
| 3 | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: | | | | |
| 4 | SECTION 1. Subchapter F, Chapter 401, Government Code, is | | | | |
| 5 | amended by adding Section 401.105 to read as follows: | | | | |
| 6 | Sec. 401.105. RENEWING OUR COMMUNITIES FUND. (a) In this | | | | |
| 7 | section, "fund" means the renewing our communities fund. | | | | |
| 8 | (b) The renewing our communities fund is created to: | | | | |
| 9 | (1) increase the capacity of and strengthen | | | | |
| 10 | faith-based and secular community organizations to provide social | | | | |
| 11 | services to persons in this state who are in need of the services; | | | | |
| 12 | <u>and</u> | | | | |
| 13 | (2) provide local governmental entities with seed | | | | |
| 14 | money to establish local offices for faith-based and secular | | | | |
| 15 | community initiatives. | | | | |
| 16 | (c) The fund is a trust fund held outside of the state | | | | |
| 17 | treasury and is administered by the governor as trustee. Money from | | | | |
| 18 | the fund may be awarded and spent only for the purposes described by | | | | |
| 19 | this section and for reasonable administrative expenses. Interest | | | | |
| 20 | received from investment of money in the fund shall be credited to | | | | |
| 21 | the fund. The governor may accept for deposit into the fund gifts, | | | | |
| 22 | grants, or donations. | | | | |
| 23 | (d) Without requesting bids, the governor may: | | | | |

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(1) solicit and contract with another person to

| 2 | (2) designate an entity to oversee the process of |
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| 3 | awarding money from the fund under Subsections (f)(1) and (f)(3) |
| 4 | and perform assistance and service activities under Subsection (f). |
| 5 | (e) The governor annually shall determine general |
| 6 | priorities for awarding grants from the fund and for performing |
| 7 | related assistance and service activities. The governor shall |
| 8 | ensure that the amount of money awarded from the fund each fiscal |
| 9 | year is equal to at least 25 percent of the unexpended and |
| 10 | unobligated balance of the fund on the first day of the fiscal year. |
| 11 | (f) The governor may: |
| 12 | (1) award money from the fund to faith-based and |
| 13 | secular community organizations that are providing social services |
| 14 | to persons in this state; |
| 15 | (2) enter into cooperative agreements with one or more |
| 16 | intermediaries that serve faith-based and secular community |
| 17 | organizations that are providing social services to persons in this |
| 18 | state to: |
| 19 | (A) assist the organizations with: |
| 20 | (i) writing grants or managing grants |
| 21 | through workshops or other guidance; |
| 22 | (ii) obtaining legal advice or assistance |
| 23 | related to incorporating or obtaining a tax-exempt status; or |
| 24 | (iii) obtaining information about or |
| 25 | referrals to nonprofit organizations that provide expertise in |
| 26 | accounting issues, legal issues, tax issues, program development |
| 27 | matters, or other organizational topics; |

1 administer the fund; and

| 1 | (B) provide information or assistance to the | | | | |
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| 2 | organizations related to building the capacities or capabilities of | | | | |
| 3 | the organizations; | | | | |
| 4 | (C) facilitate formation of networks, | | | | |
| 5 | coordination of services, and sharing of resources among | | | | |
| 6 | organizations; | | | | |
| 7 | (D) conduct needs assessments to identify: | | | | |
| 8 | (i) an organization's internal needs for | | | | |
| 9 | <pre>improvement; or</pre> | | | | |
| 10 | (ii) service gaps in a community that | | | | |
| 11 | present a need for developing or expanding services; | | | | |
| 12 | (E) provide the organizations with information | | | | |
| 13 | on and assistance in identifying or using best practices for | | | | |
| 14 | delivering social services to persons, families, and communities | | | | |
| 15 | and in replicating social services programs that have demonstrated | | | | |
| 16 | effectiveness; | | | | |
| 17 | (F) provide the organizations with information | | | | |
| 18 | on and assistance in using regional intermediary organizations to | | | | |
| 19 | increase and strengthen the capacities or capabilities of the | | | | |
| 20 | organizations; or | | | | |
| 21 | (G) encourage research into the best practices of | | | | |
| 22 | organizations that provide social services; | | | | |
| 23 | (3) award money from the fund to a local governmental | | | | |
| 24 | entity to provide seed money for a local office for faith-based and | | | | |
| 25 | secular community initiatives; and | | | | |
| 26 | (4) assist a local governmental entity in creating a | | | | |
| 27 | better partnership between government and faith-based and secular | | | | |

- 1 community organizations for providing social services to persons in
- 2 this state.
- 3 (g) A secular or faith-based community organization is
- 4 eligible for an award of money from the fund or for an assistance or
- 5 service paid for by the fund only if the organization is a nonprofit
- 6 corporation or nonprofit association that:
- 7 (1) as of the date the organization applies for an
- 8 award under this section, has an annual budget for the provision of
- 9 social services of less than \$450,000; or
- 10 (2) has six or fewer full-time-equivalent paid
- 11 employees engaged in the provision of social services.
- 12 SECTION 2. Subchapter A, Chapter 531, Government Code, is
- amended by adding Section 531.0081 to read as follows:
- Sec. 531.0081. OFFICE OF MEDICAL TECHNOLOGY. (a) In this
- 15 section, "office" means the office of medical technology.
- 16 (b) The commission shall establish the office of medical
- 17 technology within the commission. The office shall explore and
- 18 evaluate new developments in medical technology and propose
- implementing the technology in the medical assistance program under
- 20 Chapter 32, Human Resources Code, the child health plan program,
- 21 and other health services programs administered by the commission,
- 22 if appropriate.
- 23 (c) Office staff must have skills and experience in
- 24 scientific analysis and evidence-based medicine.
- 25 (d) In performing the duties imposed under Subsection (b),
- 26 the office shall:
- 27 (1) propose improvements in the delivery of medical

- 1 assistance through telemedicine medical services and telehealth
- 2 services, which may include proposing changes to the types of
- 3 services covered, persons who may present the services at a remote
- 4 site, and types of technology used;
- 5 (2) propose policies and standards for providing
- 6 medical assistance and child health plan services through
- 7 telemedicine and other medical technology, including policies and
- 8 standards for the use of best practices that focus on those
- 9 practices' fiscal impact and impact on program participants'
- 10 quality of life;
- 11 (3) evaluate the use of remote medical technology in
- 12 the medical assistance program and other health services programs
- administered by the commission that will enable elderly or disabled
- 14 persons to remain in their homes and avoid institutionalization,
- including evaluating the costs and benefits of the technology and
- 16 the available evidence regarding circumstances that indicate the
- 17 technology is medically appropriate;
- 18 (4) encourage the use of technology described by
- 19 Subdivision (3), if appropriate;
- 20 (5) serve as a liaison with providers under the
- 21 medical assistance program, child health plan program, and other
- 22 <u>health services programs administered by the commission;</u>
- 23 (6) provide support through conducting research for
- 24 and presenting findings to appropriate entities that advise the
- commission or the health and human services agencies;
- 26 (7) consult with public and private entities,
- 27 including institutions of higher education, to develop proposals

- 1 for implementing new medical technologies; and
- 2 (8) evaluate other developments in medical technology
- 3 <u>as required by the executive commissioner.</u>
- 4 (e) Not later than December 1 of each even-numbered year, 5 the office shall report to the legislature regarding the ongoing 6 efforts of the office and the commission to expand the use of 7 medical technology in the medical assistance program, the child health plan program, and other health services programs 8 9 administered by the commission and the office's recommendations for legislation to facilitate that expansion. The report must also 10 include a description of new medical technologies that have become 11 available during that state fiscal biennium that will enable 12 elderly or disabled persons to choose to remain in their homes 13 14 rather than move to an institution or to obtain improved health 15 outcomes as a result of improved monitoring of health conditions.
- SECTION 3. Section 531.021, Government Code, is amended by adding Subsections (f) and (g) to read as follows:
- (f) In adopting rates for medical assistance payments under 18 Subsection (b)(2), the executive commissioner shall adopt 19 reimbursement rates for intensive nursing services provided by 20 21 skilled medical professionals to recipients with specified health conditions, including pneumonia, if those services are provided as 22 an alternative to hospitalization. A physician must certify that 23 24 the intensive nursing services are medically appropriate for the recipient for those services to qualify for reimbursement under 25 26 this subsection.
 - (g) In adopting rates for medical assistance payments under

- 1 Subsection (b)(2), the executive commissioner shall adopt
- 2 reimbursement rates for group appointments with medical assistance
- 3 providers for the following services:
- 4 <u>(1) prenatal classes; and</u>
- 5 (2) services for certain diseases and conditions
- 6 specified by rules of the executive commissioner, such as obesity.
- 7 SECTION 4. (a) Subchapter B, Chapter 531, Government Code,
- 8 is amended by adding Section 531.02131 to read as follows:
- 9 Sec. 531.02131. MEDICAID MEDICAL INFORMATION TELEPHONE
- 10 HOTLINE PILOT PROGRAM. (a) In this section:
- 11 (1) "Net cost-savings" means the total projected cost
- 12 of Medicaid benefits for an area served under the pilot program
- 13 minus the actual cost of Medicaid benefits for the area.
- 14 (2) "Physician" means an individual licensed to
- 15 practice medicine in this state or another state of the United
- 16 <u>States.</u>
- 17 (b) The commission shall evaluate the cost-effectiveness,
- 18 in regards to preventing unnecessary emergency room visits and
- 19 ensuring that Medicaid recipients seek medical treatment in the
- 20 most medically appropriate and cost-effective setting, of
- 21 <u>developing a Medicaid medical information telephone hotline pilot</u>
- 22 program under which physicians are available by telephone to answer
- 23 <u>medical questions and provide medical information for recipients.</u>
- 24 If the commission determines that the pilot program is likely to
- 25 result in net cost-savings, the commission shall develop the pilot
- 26 program.
- 27 (c) The commission shall select the area in which to

1 implement the pilot program. The selected area must include: 2 (1) at least two counties; and 3 (2) not more than 100,000 Medicaid recipients, with approximately 50 percent of the recipients enrolled in a managed 4 5 care program in which the recipients receive services from a health 6 maintenance organization. (d) The commission shall request proposals from private 7 8 vendors for the operation of a telephone hotline under the pilot 9 program. The commission may not award a contract to a vendor unless 10 the vendor agrees to contractual terms: (1) requiring the vendor to answer medical questions 11 12 and provide medical information by telephone to recipients using only physicians; 13 14 (2) providing that the value of the contract is 15 contingent on achievement of net cost-savings in the area served by 16 the vendor; and 17 (3) permitting the commission to terminate the contract after a reasonable period if the vendor's services do not 18 19 result in net cost-savings in the area served by the vendor. (e) The commission shall periodically determine whether the 20 21 pilot program is resulting in net cost-savings. The commission shall discontinue the pilot program if the commission determines 22 that the pilot program is not resulting in net cost-savings after a 23 24 reasonable period.

including Subsection (b), the commission is not required to develop

the pilot program if suitable private vendors are not available to

(f) Notwithstanding any other provision of this section,

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- 1 operate the telephone hotline.
- 2 <u>(g) The executive commissioner shall adopt rules necessary</u>
- 3 <u>for implementation of this section.</u>
- 4 (h) The participation of a physician in a telephone hotline
- 5 that is part of a pilot program established under this section does
- 6 not constitute the practice of medicine in this state.
- 7 (b) Not later than December 1, 2005, the Health and Human
- 8 Services Commission shall determine whether the pilot program
- 9 described by Section 531.02131, Government Code, as added by this
- 10 section, is likely to result in net cost-savings. If the
- 11 determination indicates that net cost-savings are likely, the
- commission shall take the action required by Subsections (c)-(e) of
- 13 this section.
- 14 (c) Not later than January 1, 2006, the Health and Human
- 15 Services Commission shall select the counties in which the pilot
- 16 program will be implemented.
- 17 (d) Not later than February 1, 2006, the Health and Human
- 18 Services Commission shall request proposals from private vendors
- 19 for the operation of a medical information telephone hotline. The
- 20 commission shall evaluate the proposals and choose one or more
- vendors as soon as possible after the receipt of the proposals.
- (e) Not later than January 1, 2007, the Health and Human
- 23 Services Commission shall report to the governor, the lieutenant
- 24 governor, and the speaker of the house of representatives regarding
- 25 the pilot program. The report must include:
- 26 (1) a description of the status of the pilot program,
- 27 including whether the commission was unable to contract with a

- 1 suitable vendor;
- 2 (2) if the pilot program has been implemented:
- 3 (A) an evaluation of the effects of the pilot
- 4 program on emergency room visits by program participants; and
- 5 (B) a description of cost savings in the area
- 6 included in the pilot program; and
- 7 (3) recommendations regarding expanding or revising
- 8 the pilot program.
- 9 SECTION 5. Subchapter B, Chapter 531, Government Code, is
- amended by adding Section 531.02175 to read as follows:
- 11 Sec. 531.02175. REIMBURSEMENT FOR ONLINE MEDICAL
- 12 CONSULTATIONS. (a) In this section, "physician" means a person
- 13 licensed to practice medicine in this state under Subtitle B, Title
- 14 3, Occupations Code.
- 15 (b) The executive commissioner by rule shall require the
- 16 commission and each health and human services agency that
- 17 administers a part of the Medicaid program to provide Medicaid
- 18 reimbursement for a medical consultation that is provided by a
- 19 physician using the Internet as an alternative to an in-person
- 20 consultation. The rules adopted by the executive commissioner must
- 21 <u>be designed to specifically encourage the use of Internet</u>
- 22 consultations for disabled Medicaid recipients who have
- 23 <u>transportation barriers if that type of consultation is medically</u>
- 24 appropriate.
- 25 (c) The executive commissioner shall ensure that:
- 26 <u>(1) reimbursement is provided for the consultation</u>
- 27 only if both the physician and the recipient consent to conducting

- 1 the consultation using the Internet; and
- 2 (2) a request for reimbursement is not denied solely
- 3 because an in-person consultation between the physician and the
- 4 Medicaid recipient did not occur.
- 5 (d) A physician who receives reimbursement under this
- 6 section shall establish quality of care protocols and patient
- 7 confidentiality guidelines to ensure that the consultation
- 8 provided meets legal requirements and acceptable patient care
- 9 standards.
- 10 (e) The commission, in consultation with the Texas State
- 11 Board of Medical Examiners, shall monitor and regulate the use of
- 12 Internet consultations to ensure compliance with this section.
- 13 (f) The Texas State Board of Medical Examiners, in
- 14 consultation with the commission, as appropriate, may adopt rules
- 15 as necessary to:
- 16 (1) ensure that appropriate care is provided to a
- 17 Medicaid recipient who receives an Internet consultation;
- 18 (2) prevent abuse and fraud through the use of
- 19 Internet consultations, including rules relating to records
- 20 required to be maintained in connection with the consultation; and
- 21 (3) define circumstances under which, subsequent to an
- 22 Internet consultation between a physician and a Medicaid recipient,
- 23 an in-person consultation is required.
- SECTION 6. (a) Subchapter B, Chapter 531, Government Code,
- is amended by adding Section 531.02444 to read as follows:
- Sec. 531.02444. MEDICAID BUY-IN PROGRAM FOR CERTAIN PERSONS
- 27 WITH DISABILITIES. (a) The executive commissioner shall develop

- 1 and implement a Medicaid buy-in program for persons with
- 2 disabilities as authorized by the Ticket to Work and Work
- 3 Incentives Improvement Act of 1999 (Pub. L. No. 106-170) or the
- 4 Balanced Budget Act of 1997 (Pub. L. No. 105-33).
- 5 (b) The executive commissioner shall adopt rules in
- 6 accordance with federal law that provide for:
- 7 (1) eligibility requirements for the program; and
- 8 (2) requirements for participants in the program to
- 9 pay premiums or cost-sharing payments.
- 10 (b) Not later than December 1, 2005, the executive
- 11 commissioner of the Health and Human Services Commission shall
- 12 develop and implement the Medicaid buy-in program under Section
- 13 531.02444, Government Code, as added by this section. In
- 14 developing the program, the executive commissioner shall consider
- the proposal for the program developed and submitted to the Health
- 16 and Human Services Commission by the work group on health care
- 17 options for certain persons with disabilities under Section
- 18 531.02443, Government Code.
- 19 SECTION 7. Section 531.072(b), Government Code, is amended
- 20 to read as follows:
- 21 (b) The preferred drug lists may contain only:
- (1) drugs provided by a manufacturer or labeler that
- 23 reaches an agreement with the commission on supplemental rebates
- 24 under Section 531.070; and
- 25 (2) drugs with the same clinical efficacy as, but a
- 26 lower overall cost than, a drug that may be included under
- 27 Subdivision (1).

- 1 SECTION 8. (a) Subchapter B, Chapter 531, Government Code,
- 2 is amended by adding Section 531.083 to read as follows:
- 3 Sec. 531.083. HOSPITAL EMERGENCY ROOM USE REDUCTION
- 4 INITIATIVES. (a) The commission shall develop and implement a
- 5 comprehensive plan to reduce the use of hospital emergency room
- 6 services by persons who do not have medical homes. The plan must
- 7 <u>include:</u>
- 8 (1) a pilot program designed to facilitate program
- 9 participants in accessing an appropriate level of health care,
- 10 which must include as components:
- 11 (A) providing program participants access to
- 12 bilingual health services providers; and
- 13 (B) giving program participants information on
- 14 how to access primary care physicians, clinical nurse
- practitioners, and local health clinics;
- 16 (2) a pilot program under which health care providers,
- other than hospitals, are given financial incentives for treating
- patients outside of normal business hours to divert those patients
- 19 from hospital emergency rooms;
- 20 (3) payment of a nominal referral fee to hospital
- 21 emergency rooms that perform an initial medical evaluation of a
- 22 patient and subsequently refer the patient, if medically stable, to
- 23 an appropriate level of health care, such as care provided by a
- 24 primary care physician or a local clinic;
- 25 (4) a pilot program under which the commission enters
- into an agreement with a hospital under which the hospital arranges
- 27 transportation through methods such as prepaid taxi transportation

- or shuttle service to transport emergency room patients who do not
- 2 have private transportation and do not need emergency services to a
- 3 location where the patients can receive an appropriate level of
- 4 health care, such as a federally qualified health center, as
- 5 defined by 42 U.S.C. Section 1396d(1)(2)(B);
- 6 (5) a program under which the commission or a managed
- 7 <u>care organization that enters into a contract with the commission</u>
- 8 under Chapter 533 contacts, by telephone or mail, a person who
- 9 accesses a hospital emergency room three times during a six-month
- 10 period and provides the patient with information on ways the person
- 11 may secure a medical home to avoid unnecessary treatment at
- 12 hospital emergency rooms; and
- (6) a health care literacy program under which the
- 14 commission develops partnerships with other state agencies and
- 15 private entities to:
- 16 (A) assist the commission in developing
- 17 materials that contain basic health care information for parents of
- 18 young children participating in public or private child-care or
- 19 prekindergarten programs, including federal Head Start programs,
- 20 and that are:
- 21 <u>(i) written in a language understandable to</u>
- 22 <u>those parents; and</u>
- (ii) specifically tailored to be applicable
- 24 to the needs of those parents;
- 25 (B) distribute the materials developed under
- 26 Paragraph (A) to those parents; and
- (C) otherwise teach those parents about the

- 1 health care needs of their children and ways to address those needs.
- (b) In developing and implementing the plan required by this section, the commission shall include other initiatives developed and implemented in other states that have shown success in reducing
- the incidence of unnecessary treatment in hospital emergency rooms.(b) The Health and Human Services Commission shall develop
- 7 the health care literacy component of the comprehensive plan to
- 8 reduce the use of hospital emergency room services required by
- 9 Section 531.083(a)(6), Government Code, as added by this section,
- 10 so that the health care literacy component operates in a manner
- 11 similar to the manner in which the Johnson & Johnson/UCLA Health
- 12 Care Institute operates its health care training program that is
- designed to teach parents to better address the health care needs of
- 14 their children.
- 15 SECTION 9. Subchapter B, Chapter 531, Government Code, is
- amended by adding Section 531.084 to read as follows:
- 17 Sec. 531.084. PERFORMANCE BONUS PILOT PROGRAM. (a) The
- 18 commission shall develop and implement a pilot program for
- 19 providing higher reimbursement rates to health care providers under
- 20 the Medicaid program and other state health programs who treat
- 21 program recipients with chronic health conditions in accordance
- 22 with evidence-based, nationally accepted best practices and
- 23 <u>standards of care.</u>
- 24 (b) The commission shall define the parameters of the pilot
- 25 program, including:
- 26 <u>(1) the state health programs in addition to the</u>
- 27 Medicaid program for which the commission will operate the pilot

- 1 program;
- 2 (2) the types of chronic health conditions the pilot
- 3 program will target;
- 4 (3) the best practices and standards of care that must
- 5 be followed for a health care provider to obtain a higher
- 6 reimbursement rate under the pilot program; and
- 7 (4) the types of health care providers to whom the
- 8 higher reimbursement rate will be offered under the pilot program.
- 9 (c) Not later than December 1, 2006, the Health and Human
- 10 Services Commission shall report to the standing committees of the
- 11 senate and the house of representatives having primary jurisdiction
- 12 over welfare programs regarding the results of the pilot program
- 13 under this section. The report must include:
- 14 (1) the effect of the higher reimbursement rates
- offered under the program on the quality of care provided and the
- 16 <u>health outcomes for program recipients and the overall</u>
- 17 cost-effectiveness of the higher reimbursement rates; and
- 18 (2) a recommendation regarding implementation of the
- 19 program statewide.
- 20 (d) This section expires September 1, 2007.
- SECTION 10. (a) Subchapter B, Chapter 531, Government
- 22 Code, is amended by adding Section 531.085 to read as follows:
- Sec. 531.085. EXCLUSION OF CERTAIN RESOURCES IN DETERMINING
- 24 ELIGIBILITY FOR CERTAIN PROGRAMS. (a) In this section:
- 25 <u>(1) "Health savings account" means an account</u>
- 26 containing funds that are used to pay for group or individual health
- 27 insurance or non-insured medical expenses and that qualify under

| 1 | federal law for exemption from federal taxation. The term | | | | |
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| 2 | includes: | | | | |
| 3 | (A) a health care reimbursement account; | | | | |
| 4 | (B) a health savings account; and | | | | |
| 5 | (C) a medical savings account. | | | | |
| 6 | (2) "Means-tested medical benefits program" includes: | | | | |
| 7 | (A) the Medicaid program; | | | | |
| 8 | (B) the child health plan program; and | | | | |
| 9 | (C) any other state medical benefits program for | | | | |
| 10 | which eligibility is based in whole or in part on a person's | | | | |
| 11 | household income and resources. | | | | |
| 12 | (b) The executive commissioner shall adopt rules under | | | | |
| 13 | which: | | | | |
| 14 | (1) the balance of a health savings account belonging | | | | |
| 15 | to an applicant for a means-tested medical benefits program or | | | | |
| 16 | belonging to a member of the applicant's household is excluded in | | | | |
| 17 | determining whether the applicant meets the household income and | | | | |
| 18 | resource requirements for eligibility for the program; and | | | | |
| 19 | (2) any amounts deducted from the applicant's income | | | | |
| 20 | or from the income of a member of the applicant's household on a | | | | |
| 21 | recurring basis are excluded from that income so that only the | | | | |
| 22 | applicant's or household member's net income after excluding those | | | | |
| 23 | amounts is considered in determining whether the applicant meets | | | | |
| 24 | the household income requirements for eligibility for a | | | | |
| 25 | means-tested medical benefits program. | | | | |
| 26 | (b) The changes in law made by Section 531.085, Government | | | | |

Code, as added by this section, and rules adopted under that section

- 1 apply to:
- 2 (1) an applicant for a means-tested medical benefits
- 3 program who files an application for the program on or after the
- 4 effective date of this section; and
- 5 (2) a person receiving benefits under a means-tested
- 6 medical benefits program on or after the effective date of this
- 7 section, regardless of the date on which the person's eligibility
- 8 for the program was determined.
- 9 SECTION 11. (a) Chapter 533, Government Code, is amended by
- 10 adding Subchapter D to read as follows:
- 11 SUBCHAPTER D. INTEGRATED CARE MANAGEMENT MODEL
- 12 Sec. 533.061. INTEGRATED CARE MANAGEMENT MODEL PILOT
- 13 PROJECT. (a) In this section, "medical home" means a primary care
- 14 physician or other health care provider who:
- 15 <u>(1) manages and coordinates all aspects of a</u>
- 16 <u>recipient's health care; and</u>
- 17 (2) has a continuous and ongoing professional
- 18 relationship with the recipient.
- 19 (b) The executive commissioner by rule shall establish, and
- 20 the commission shall conduct and evaluate, a pilot project to
- 21 <u>determine the cost savings, health benefits, and effectiveness of</u>
- 22 providing medical assistance through an integrated care management
- 23 model to the following populations of recipients:
- 24 (1) recipients of financial assistance under Chapter
- 25 31, Human Resources Code;
- 26 (2) pregnant women;
- 27 (3) children;

| 1 | (4) aged, blind, or disabled persons who are not | | | | |
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| 2 | residents of long-term care facilities; and | | | | |
| 3 | (5) a small number of other recipients who are | | | | |
| 4 | identified as having the highest medical costs. | | | | |
| 5 | (c) The integrated care management model developed under | | | | |
| 6 | the pilot project must include the following components: | | | | |
| 7 | (1) the assignment of recipients to a medical home; | | | | |
| 8 | (2) the establishment of a system for integrated care | | | | |
| 9 | management that addresses or provides for: | | | | |
| 10 | (A) acute or long-term care services, as | | | | |
| 11 | appropriate; | | | | |
| 12 | (B) the coordination and management of disease | | | | |
| 13 | management services; and | | | | |
| 14 | (C) case management, including case management | | | | |
| 15 | for recipients with chronic health conditions and management of | | | | |
| 16 | prescription drug use; | | | | |
| 17 | (3) the performance of health risk assessment | | | | |
| 18 | screenings on the initial enrollment of recipients in the pilot | | | | |
| 19 | project to identify those recipients who have or are at risk of | | | | |
| 20 | developing a chronic illness; | | | | |
| 21 | (4) a method for reporting the results of assessment | | | | |
| 22 | screenings described by Subdivision (3) to the recipient's medical | | | | |
| 23 | home; | | | | |
| 24 | (5) a method for reporting to physicians or other | | | | |
| 25 | appropriate health care providers at least quarterly on the use by | | | | |
| 26 | <pre>patients of:</pre> | | | | |
| 27 | (A) prescription drugs and the associated cost of | | | | |

that use; and 2 (B) other health care services and the associated 3 cost of those uses; 4 (6) coordination by the patient's medical home of the 5 patient's support services, including home health services or 6 durable medical equipment; 7 (7) the establishment of a reimbursement system that 8 provides higher levels of payment for providers who: 9 (A) establish and maintain clinics to treat recipients after normal business hours, as defined by rule of the 10 11 executive commissioner; 12 (B) incorporate early and periodic screening, diagnosis, and treatment services into the medical home; and 13 (C) adhere to evidence-based, clinical 14 15 guidelines and performance measures that are developed by physicians and subjected to a scientific peer review process; 16 17 (8) a comprehensive quality management program; and (9) any other appropriate component the executive 18 19 commissioner determines will improve a recipient's health outcome and is cost-effective. 20 21 (d) The commission shall implement the pilot project in at least eight areas of this state, including both urban and rural 22 areas. At least one-half of the pilot project sites must be in 23 24 areas of this state in which a primary care case management model of 25 Medicaid managed care was being used to provide medical assistance 26 to recipients on January 1, 2005.

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Sec. 533.062. TECHNOLOGICAL SUPPORT AND CARE COORDINATION.

- 1 (a) In implementing the integrated care management model of
- 2 Medicaid managed care under this subchapter, the commission shall
- 3 contract for technological support and care coordination as
- 4 necessary to assure appropriate use of services by and
- 5 cost-effective health outcomes for recipients.
- 6 (b) In awarding a contract under this section, the
- 7 <u>commission shall:</u>
- 8 (1) consider the effect of the contract on integrated
- 9 care management providers; and
- 10 (2) make a reasonable effort to reduce any
- 11 administrative barrier for those providers.
- 12 (c) The services provided under the contract should be
- 13 designed to enhance the ability of integrated care management
- 14 providers to be effective and responsive in making treatment
- decisions.
- Sec. 533.063. STATEWIDE ADVISORY COMMITTEE OF PROVIDERS.
- 17 (a) The executive commissioner shall appoint an advisory committee
- of health care providers or representatives of those providers to
- 19 assist the executive commissioner in developing the integrated care
- 20 management model. The executive commissioner shall consult the
- 21 advisory committee throughout the development of the model,
- 22 including in relation to the development of proposed rules under
- 23 Section 533.061.
- 24 (b) The committee consists of the following members:
- 25 <u>(1) six primary care physicians who practice in</u>
- 26 different geographic areas of this state, including at least two
- 27 physicians with experience practicing under a primary care case

- 3 (3) one representative of a federally qualified health 4 center, as defined by 42 U.S.C. Section 1396d(1)(2)(B);
- 5 (4) one representative of a rural health clinic; and
- 6 (5) one representative of hospitals.
- 7 <u>(c) The advisory committee shall meet as necessary to</u> 8 perform the duties required by this section.
- 9 (d) A member of the committee may not receive compensation
 10 for serving on the committee but is entitled to reimbursement for
 11 reasonable and necessary travel expenses incurred by the member
 12 while conducting the business of the committee, as provided by the
 13 General Appropriations Act.
- 14 <u>(e) The committee is not subject to Chapter 551, Government</u>
 15 Code.
- Sec. 533.064. REGIONAL ADVISORY COMMITTEES. (a) In each area of this state in which the commission plans to implement the pilot project under Section 533.061, the executive commissioner shall appoint an advisory committee for that area to assist with the development and implementation of the integrated care management model.
- 22 (b) A committee consists of individuals from the area with
 23 respect to which the committee will provide advice and must include
 24 the same number of members from each category of providers and
 25 representatives of providers specified in Section 533.063(b).
- 26 <u>(c) A committee is not subject to Chapter 551, Government</u>
 27 <u>Code.</u>

- Sec. 533.065. REPORT. Not later than January 5, 2007, the

 commission shall submit to the Legislative Budget Board, the

 lieutenant governor, and the speaker of the house of

 representatives a report describing the results of the pilot

 project implemented under Section 533.061. The report must

 include:
- 7 <u>(1) information regarding:</u>
- 8 (A) recipient and provider satisfaction;
- 9 (B) recipient access to primary and specialty
- 10 <u>care services;</u>
- 11 (C) recipient outcomes, including health status
- 12 improvement; and
- 13 (D) the fiscal impact to political subdivisions
- 14 of this state in the areas in which the pilot project is
- implemented, including any cost savings realized by those entities
- 16 <u>from the implementation; and</u>
- 17 (2) recommendations on whether to implement the pilot
- 18 project statewide.
- 19 Sec. 533.066. EXPIRATION OF SUBCHAPTER. This subchapter
- 20 expires September 1, 2009.
- 21 (b) The executive commissioner of the Health and Human
- 22 Services Commission shall adopt rules to implement the pilot
- 23 project established under Section 533.061, Government Code, as
- 24 added by this section, not later than December 1, 2005.
- 25 (c) To provide technological support and care coordination
- services as required by Section 533.062, Government Code, as added
- 27 by this section, the Health and Human Services Commission may:

| Τ | (1) if possible, modify an existing contract between | | | | | |
|----|---|--|--|--|--|--|
| 2 | the commission and a contractor; or | | | | | |
| 3 | (2) enter into an additional contract with a | | | | | |
| 4 | contractor with which the commission has an existing contract. | | | | | |
| 5 | SECTION 12. (a) Subtitle I, Title 4, Government Code, is | | | | | |
| 6 | amended by adding Chapter 535 to read as follows: | | | | | |
| 7 | CHAPTER 535. PROVISION OF HUMAN SERVICES THROUGH FAITH- AND | | | | | |
| 8 | COMMUNITY-BASED INITIATIVES | | | | | |
| 9 | SUBCHAPTER A. GENERAL PROVISIONS | | | | | |
| 10 | Sec. 535.001. DEFINITIONS. In this chapter: | | | | | |
| 11 | (1) "Community-based initiative" means a human | | | | | |
| 12 | services initiative operated through a community organization. | | | | | |
| 13 | (2) "Faith-based initiative" means a human services | | | | | |
| 14 | initiative operated through a religious or denominational | | | | | |
| 15 | organization, including an organization that is operated for | | | | | |
| 16 | religious, educational, or charitable purposes and that is | | | | | |
| 17 | operated, supervised, or controlled, wholly or partly, by or in | | | | | |
| 18 | connection with a religious organization. | | | | | |
| 19 | [Sections 535.002-535.050 reserved for expansion] | | | | | |
| 20 | SUBCHAPTER B. GOVERNMENTAL LIAISONS FOR FAITH- AND COMMUNITY-BASED | | | | | |
| 21 | <u>INITIATIVES</u> | | | | | |
| 22 | Sec. 535.051. DESIGNATION OF FAITH- AND COMMUNITY-BASED | | | | | |
| 23 | INITIATIVES LIAISONS. (a) The executive commissioner, in | | | | | |
| 24 | consultation with the governor, shall designate one employee of the | | | | | |
| 25 | commission and one employee from each health and human services | | | | | |
| 26 | agency to serve as liaisons for faith- and community-based | | | | | |
| 27 | initiatives. | | | | | |

initiatives.

| | H.B. No. 2479 |
|----|--|
| 1 | (b) The chief administrative officer of each of the |
| 2 | following state agencies, in consultation with the governor, shall |
| 3 | designate one employee from the agency to serve as a liaison for |
| 4 | faith- and community-based initiatives: |
| 5 | (1) the Texas Department of Criminal Justice; |
| 6 | (2) the Texas Department of Housing and Community |
| 7 | Affairs; |
| 8 | (3) the Texas Education Agency; |
| 9 | (4) the Texas Juvenile Probation Commission; |
| 10 | (5) the Texas Veterans Commission; and |
| 11 | (6) the Texas Youth Commission. |
| 12 | Sec. 535.052. GENERAL DUTIES OF LIAISONS. A faith- and |
| 13 | community-based initiatives liaison designated under Section |
| 14 | 535.051 shall: |
| 15 | (1) serve as the single point of contact for an |
| 16 | organization wanting to establish a faith- or community-based |
| 17 | initiative in partnership with the state agency the liaison |
| 18 | represents; |
| 19 | (2) identify and remove barriers to partnerships |
| 20 | between the state agency the liaison represents and organizations |
| 21 | wanting to establish faith- and community-based initiatives; |
| 22 | (3) provide information and training, if necessary, |
| 23 | for employees of the state agency the liaison represents regarding |

equal opportunity standards for organizations wanting to establish

faith- and community-based initiatives through partnerships with

(4) identify best practices for organizations wanting

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the agency;

- 1 to establish faith- and community-based initiatives through
- 2 partnerships with the state agency the liaison represents;
- 3 (5) coordinate outreach efforts to organizations that
- 4 have not traditionally formed partnerships with state agencies to
- 5 establish faith- and community-based initiatives;
- 6 (6) coordinate all efforts with the governor's office
- 7 of faith-based and community initiatives and provide information,
- 8 support, and assistance to that office as requested and to the
- 9 extent permitted by law; and
- 10 (7) attend conferences sponsored by federal agencies
- 11 and offices and other relevant entities to become and remain
- 12 informed of issues and developments regarding faith- and
- 13 community-based initiatives.
- 14 Sec. 535.053. REPORTS; MEETINGS. A faith- and
- 15 community-based initiatives liaison designated under Section
- 16 535.051 shall:
- 17 (1) provide periodic reports to the executive
- 18 commissioner or other chief executive officer who designated the
- 19 liaison, as applicable, on a schedule determined by the person who
- 20 designated the liaison;
- 21 (2) report annually to the governor regarding the
- 22 liaison's efforts to comply with the duties imposed under Section
- 23 <u>535.052</u>; and
- 24 (3) meet quarterly, or as otherwise required by the
- 25 governor, with the governor's office of faith-based and community
- 26 initiatives to report regarding the liaison's efforts to comply
- with the duties imposed under Section 535.052.

[Sections 535.054-535.100 reserved for expansion] 1 2 SUBCHAPTER C. CENTERS FOR FAITH- AND COMMUNITY-BASED INITIATIVES Sec. 535.101. DEFINITION. In this subchapter, "center" 3 means a center for faith- and community-based initiatives 4 5 established under Section 535.102. 6 Sec. 535.102. ESTABLISHMENT OF CENTERS FOR FAITH- AND 7 COMMUNITY-BASED INITIATIVES. The chief executive officers of the Health and Human Services Commission, the Office of Rural Community 8 9 Affairs, and the Texas Workforce Commission shall each establish within their respective agencies a center for faith- and 10 community-based initiatives. Each center must be operated in a 11 manner that promotes effective partnerships between the state 12 agency within which the center operates and organizations that 13 14 establish faith- or community-based initiatives to serve residents 15 of this state who need assistance. Sec. 535.103. OPERATION OF CENTER. (a) In consultation 16 17 with the governor, the chief executive officer of the state agency in which a center operates shall appoint a director for the center. 18 19 (b) The state agency within which a center operates shall provide the center with appropriate staff, administrative support 20 21 services, and other resources to enable the center to perform the duties imposed under this subchapter. 22

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between the state agency within which the center operates and the

organizations wanting to establish faith- and community-based

Sec. 535.104. GENERAL DUTIES OF CENTERS. (a) A center

(1) identify and remove barriers to partnerships

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shall:

- 1 <u>initiatives;</u>
- 2 (2) provide information and training, if necessary,
- 3 for employees of the state agency within which the center operates
- 4 regarding equal opportunity standards for organizations wanting to
- 5 <u>establish</u> faith- and community-based initiatives through
- 6 partnerships with the agency;
- 7 (3) identify best practices for organizations wanting
- 8 to establish faith- and community-based initiatives through
- 9 partnerships with the state agency within which the center
- 10 operates;
- 11 (4) based on the best practices identified under
- 12 Subdivision (3), develop proposals for innovative pilot programs
- 13 and initiatives;
- 14 (5) coordinate outreach efforts to inform and welcome
- organizations that have not traditionally formed partnerships with
- 16 state agencies to establish faith- and community-based
- 17 initiatives;
- 18 <u>(6) if appropriate, coordinate the use of</u> volunteers
- 19 from organizations that establish faith- and community-based
- 20 initiatives to make the best use of those volunteers;
- 21 (7) coordinate all efforts with the governor's office
- of faith-based and community initiatives and provide information,
- 23 support, and assistance to that office as requested and to the
- 24 extent permitted by law; and
- 25 (8) send representatives to attend conferences
- 26 sponsored by federal agencies and offices and other relevant
- 27 <u>entities to become and remain informed of issues and developments</u>

- 1 regarding faith- and community-based initiatives.
- 2 (b) In performing the duties imposed under Subsection (a), a
- 3 center shall coordinate with the liaison for faith- and
- 4 community-based initiatives designated under Subchapter B if a
- 5 liaison has been designated for the state agency within which the
- 6 center operates.
- 7 Sec. 535.105. REPORTS. The director of a center shall:
- 8 <u>(1) provide periodic reports to the chief executive</u>
- 9 officer of the state agency within which the center operates
- 10 regarding the center's performance of the duties imposed under
- 11 Section 535.104;
- 12 (2) report annually to the governor regarding the
- 13 <u>center's efforts to perform the duties imposed under Section</u>
- 14 535.104 and the center's outcomes on the performance measures
- determined by the center; and
- 16 (3) meet quarterly, or as otherwise required by the
- 17 governor, with the governor's office of faith-based and community
- 18 initiatives to report regarding the center's performance of the
- 19 duties imposed under Section 535.104.
- 20 (b) The executive commissioner of the Health and Human
- 21 Services Commission and the chief executive officers of the Texas
- 22 Department of Criminal Justice, the Texas Department of Housing and
- 23 Community Affairs, the Texas Education Agency, the Texas Juvenile
- 24 Probation Commission, the Texas Veterans Commission, and the Texas
- 25 Youth Commission shall designate the liaisons for faith- and
- 26 community-based initiatives as required under Section 535.051,
- 27 Government Code, as added by this section, not later than November

- 1 1, 2005.
- 2 (c) Each center for faith- and community-based initiatives
- 3 established under Section 535.102, Government Code, as added by
- 4 this section, shall file a report with the governor not later than
- 5 March 1, 2006, that includes the center's performance measures on
- 6 which the center will report its outcomes in each annual report
- 7 under Section 535.105, Government Code, as added by this section.
- 8 SECTION 13. (a) Section 2055.001(1), Government Code, is
- 9 amended to read as follows:
- 10 (1) "Board," "department," "electronic government
- 11 project," <u>"executive director,"</u> "local government," "major
- 12 information resources project," "quality assurance team," and
- "TexasOnline" have the meanings assigned by Section 2054.003.
- 14 (b) Chapter 2055, Government Code, is amended by adding
- 15 Subchapter E to read as follows:
- SUBCHAPTER E. GRANTS ASSISTANCE PROJECT
- Sec. 2055.201. DEFINITION. In this subchapter, "state
- 18 grant assistance" means assistance provided by a state agency that
- 19 is available to a resident of this state, another state agency, a
- 20 local government, or a nonprofit or faith-based organization,
- 21 <u>including a grant, contract, loan, loan guarantee, property,</u>
- 22 cooperative agreement, direct appropriation, or other method of
- 23 <u>disbursement.</u>
- Sec. 2055.202. ESTABLISHMENT OF PROJECT. The department
- 25 shall establish an electronic government project to develop an
- 26 Internet website accessible through TexasOnline that:
- 27 (1) provides a single location for state agencies to

- 1 post electronic summaries of state grant assistance opportunities
- 2 with the state agencies;
- 3 (2) enables a person to search for state grant
- 4 assistance programs provided by state agencies;
- 5 (3) allows, when feasible, electronic submission of
- 6 state grant assistance applications;
- 7 (4) improves the effectiveness and performance of
- 8 state grant assistance programs;
- 9 (5) streamlines and simplifies state grant assistance
- 10 application and reporting processes; and
- 11 (6) improves the delivery of services to the public.
- 12 Sec. 2055.203. ESTABLISHING PROJECT; COORDINATION. (a) In
- 13 establishing the electronic government project under this
- 14 subchapter, the department, in coordination with the office of the
- 15 governor, shall direct, coordinate, and assist state agencies in
- 16 establishing:
- 17 (1) a common electronic application and reporting
- 18 system, including:
- 19 (A) a standard format for announcing state grant
- 20 assistance opportunities;
- 21 (B) standard data elements for use in creating
- 22 state grant assistance opportunity announcement summaries,
- 23 <u>including existing electronic grants programs and search</u>
- 24 functions; and
- (C) a common application form for a person to use
- 26 in applying for state grant assistance from multiple state grant
- 27 assistance programs that serve similar purposes and are

- 3 (A) improving interagency and intergovernmental
- 4 coordination of information collection and sharing of data between
- 5 persons responsible for delivering services relating to a state
- 6 grant assistance program; and
- 7 (B) improving the timeliness, completeness, and
- 8 quality of information received by a state agency from a recipient
- 9 of state grant assistance.
- 10 (b) A state agency shall provide the department and the
- 11 office of the governor financial and functional information about
- 12 any existing or potential systems that in any way provide the
- 13 functions described in Section 2055.202.
- 14 Sec. 2055.204. USE OF ELECTRONIC GRANT SYSTEM. (a) A state
- agency may not expend appropriated money to implement or design a
- 16 new system that provides the functions described in Section
- 17 2055.202 without obtaining prior approval from the executive
- 18 director.
- 19 (b) The executive director shall determine whether to
- 20 approve a state agency's continued operation of an existing system
- 21 or to integrate the system into the project created under this
- 22 subchapter. The executive director may provide conditional
- 23 approval of ongoing expenditures while developing appropriate
- 24 project plans and funding models for the project.
- 25 (c) A state agency shall incorporate common grant
- 26 application forms developed under Section 2055.203 into the
- 27 <u>agency's grant application and review processes.</u>

(d) If the department determines that money should be consolidated in the development of this project, the department shall provide a funding model to the Legislative Budget Board and the governor as required by Section 2055.057. A state agency with an existing system approved or conditionally approved under

Subsection (b) is exempt from this subsection.

- Sec. 2055.205. EXEMPT AGENCIES. (a) The executive

 director may exempt a state agency or state grant assistance

 program from the requirements of this subchapter if the executive

 director determines that the state agency does not have a

 sufficient number of state grant assistance programs.
- 12 (b) The governor, with the assistance of the department,

 13 shall make a list of exempted agencies and information about

 14 programs exempted from this subchapter available to the public

 15 through the office of the governor's Internet website.
- 16 (c) Section 2055.204(b), Government Code, as added by this 17 section, does not apply to a state agency that operates an existing 18 system until the project created under Subchapter E, Chapter 2055, 19 Government Code, as added by this section, is operational.
- SECTION 14. (a) Section 62.102(b), Health and Safety Code, 21 is amended to read as follows:
- 22 (b) The period of continuous eligibility may be established 23 at an interval of 6 months beginning immediately upon passage of 24 this Act and ending September 1, 2007 [2005], at which time an 25 interval of 12 months of continuous eligibility will be 26 re-established.
- 27 (b) Section 10(c), Chapter 584, Acts of the 77th

- 1 Legislature, Regular Session, 2001, as amended by Section 2.101,
- 2 Chapter 198, Acts of the 78th Legislature, Regular Session, 2003,
- 3 is amended to read as follows:
- 4 (c) The <u>executive commissioner of the</u> Health and Human 5 Services Commission [or the appropriate state agency operating part 6 of the medical assistance program under Chapter 32, Human Resources
- 8 Resources Code, as added by this Act, so that the rules take effect
- 9 in accordance with that section not earlier than September 1, 2002,
- or later than September 1, 2007 [2005]. The rules must provide for
- 11 a 12-month period of continuous eligibility in accordance with that
- 12 section for a child whose initial or continued eligibility is
- determined on or after the effective date of the rules.
- 14 SECTION 15. (a) Subchapter C, Chapter 62, Health and Safety
- 15 Code, is amended by adding Section 62.1021 to read as follows:
- Sec. 62.1021. CONTINUOUS ELIGIBILITY FOR CHILDREN WITH
- 17 CERTAIN CHRONIC CONDITIONS. Notwithstanding Section 62.102, the
- 18 commission shall provide for a period of continuous eligibility for
- 19 an individual who is determined to be eligible for coverage under
- 20 the child health plan and who has a disease or other chronic health
- 21 condition that, if the individual were a recipient under the
- 22 medical assistance program, would qualify the individual for
- 23 <u>disease management services under Section 32.059, Human Resources</u>
- 24 Code, as added by Chapter 208, Acts of the 78th Legislature, Regular
- 25 <u>Session, 2003, or Section 533.009, Government Code. The commission</u>
- 26 shall provide that the individual remains eligible for the child
- 27 <u>health plan benefits until the</u> earlier of:

- 1 (1) the first anniversary of the date on which the
- 2 <u>individual's eligibility was determined; or</u>

- 3 (2) the individual's 19th birthday.
- 4 (b) Subchapter B, Chapter 32, Human Resources Code, is 5 amended by adding Section 32.02611 to read as follows:
 - Sec. 32.02611. CONTINUOUS ELIGIBILITY FOR PERSONS WITH CERTAIN CHRONIC CONDITIONS. Notwithstanding other law, the department shall provide for a period of continuous eligibility for a person who is determined to be eligible for medical assistance under this chapter and who has a disease or other chronic health condition that would qualify the person for disease management services under Section 32.059 of this code, as added by Chapter 208, Acts of the 78th Legislature, Regular Session, 2003, or Section 533.009, Government Code. The rules shall provide that the person remains eligible for medical assistance, without additional review by the department and regardless of changes in the person's resources or income, until the first anniversary of the date on which the person's eligibility was determined or, if the person is a child, until the earlier of:
- 20 <u>(1) the first anniversary of the date on which the</u>
 21 person's eligibility was determined; or
- 22 (2) the person's 19th birthday.
 - (c) Section 62.1021, Health and Safety Code, as added by this section, applies to a person enrolled in the child health plan program under Chapter 62, Health and Safety Code, on or after the effective date of this section, regardless of the date on which the person's eligibility was determined. Section 32.02611, Human

- 1 Resources Code, as added by this section, applies to a recipient of
- 2 medical assistance on or after the effective date of this section,
- 3 regardless of the date on which the person's eligibility was
- 4 determined.
- 5 SECTION 16. Section 62.154, Health and Safety Code, is 6 amended by adding Subsection (e) to read as follows:
- (e) The commission may waive the waiting period required by

 Subsection (a) for a child if the child's eligibility for coverage

 under the child health plan results from financial hardship caused

 by the death or disability of the child's parent or guardian that
- by the death or disability of the child's parent or guardian that occurred within a year of the date of the application for coverage.
- SECTION 17. (a) Subtitle E, Title 2, Health and Safety
 Code, is amended by adding Chapter 113 to read as follows:
- 14 CHAPTER 113. GOVERNOR'S HEALTH CARE COORDINATING COUNCIL
- 15 Sec. 113.001. DEFINITION. In this chapter, "council" means
 16 the Governor's Health Care Coordinating Council.
- Sec. 113.002. COMPOSITION OF COUNCIL. (a) The council is
 within the office of the governor and shall report to the governor
- 19 or the governor's designee.
- 20 <u>(b) The council is composed of the administrative head of</u>
 21 the following agencies or that person's designee:
- 22 (1) the Health and Human Services Commission;
- 23 (2) the Department of State Health Services;
- 24 (3) the Department of Aging and Disability Services;
- 25 (4) the Employees Retirement System of Texas;
- 26 (5) the Teacher Retirement System of Texas;
- 27 (6) the Correctional Managed Health Care Committee;

- 1 <u>and</u>
- 2 (7) any other state agency identified by the governor
- 3 that purchases health care products or services.
- 4 Sec. 113.003. COMPENSATION AND EXPENSES. Service on the
- 5 council is an additional duty of a member's office or employment. A
- 6 member of the council is not entitled to compensation but is
- 7 entitled to reimbursement of travel expenses incurred by the member
- 8 while conducting the business of the council, as provided in the
- 9 General Appropriations Act.
- Sec. 113.004. SUPPORT STAFF. The council's member agencies
- 11 shall provide the staff for the council.
- Sec. 113.005. MEETINGS. (a) The council shall meet at
- 13 least once each year. The council may meet at other times at the
- 14 call of the presiding officer or as provided by the rules of the
- 15 <u>council.</u>
- 16 (b) The council is a governmental body for purposes of the
- open meetings law, Chapter 551, Government Code.
- 18 Sec. 113.006. RESEARCH PROJECTS; REPORT. (a) The council
- 19 shall identify gaps, flaws, inefficiencies, or problems in the
- 20 health care system that create systemic or substantial negative
- 21 impacts on the participants in the health care system, study those
- 22 problems, and identify possible solutions for the state or other
- 23 participants in the system.
- 24 (b) Not later than September 1 after each regular session of
- 25 the legislature, the speaker of the house of representatives and
- 26 the lieutenant governor may submit health care-related issues to
- 27 the governor for referral to the council. The health care-related

| 1 | issues | may | incl | lude: |
|---|--------|-----|------|-------|
| | | | | |

- 2 (1) disparities in quality and levels of care;
- 3 (2) problems for uninsured individuals;
- 4 (3) the cost of pharmaceuticals;
 - (4) the cost of health care;
- 6 (5) access to health care;
- 7 (6) quality of health care; or
- 8 (7) any other issue related to health care.
- 9 <u>(c) The governor shall refer health care-related issues to</u>
 10 the council for research and analysis. The governor shall
- 11 prioritize the issues for the council. The council shall study
- 12 those issues identified by the governor and identify possible
- 13 solutions for the state or other participants in the health care
- 14 system.

- (d) Not later than December 31 of each even-numbered year,
- 16 the council shall submit a biennial report of the council's
- 17 findings and recommendations to the governor, lieutenant governor,
- 18 and speaker of the house of representatives.
- 19 Sec. 113.007. PURCHASE OF HEALTH CARE PRODUCTS OR SERVICES.
- 20 (a) The council shall ensure the most effective collaboration
- 21 among state agencies in the purchase of health care products or
- 22 services. As a state agency develops an expertise in purchasing
- 23 health care products or services, that agency shall assist other
- 24 agencies in the purchase of the same products or services.
- 25 (b) Before a state agency issues a request for the purchase
- of health care products or services, the agency must notify the
- 27 council of the pending purchase. The council shall determine

- 1 whether another state agency has previously purchased the same
- 2 health care products or services or is currently in the process of
- 3 purchasing those products or services. The council shall assist
- 4 the state agencies in coordinating the purchase of the health care
- 5 products or services.
- 6 (c) After a state agency enters into a contract for the
- 7 purchase of health care products or services, the agency must
- 8 report to the council:
- 9 <u>(1)</u> the name of the seller of the health care products
- 10 <u>or services;</u>
- 11 (2) the health care products or services purchased;
- 12 and
- 13 (3) the purchase price for the products or services.
- 14 (d) The council shall maintain a database of the information
- 15 relating to the purchase of health care products or services the
- 16 <u>council receives under this section.</u>
- 17 (b) Section 431.116(e), Health and Safety Code, is amended
- 18 to read as follows:
- 19 (e) The department shall report the information collected
- 20 under Subsection (b) to the Governor's Health Care Coordinating
- 21 Council [Interagency Council on Pharmaceuticals Bulk Purchasing].
- (c) Section 431.208(d), Health and Safety Code, is amended
- 23 to read as follows:
- 24 (d) The department shall report the information collected
- 25 under Subsection (a) to the Governor's Health Care Coordinating
- 26 Council [Interagency Council on Pharmaceuticals Bulk Purchasing].
- 27 (d) Chapter 111, Health and Safety Code, is repealed.

- 1 (e) The Interagency Council on Pharmaceuticals Bulk 2 Purchasing is abolished. All powers, duties, obligations, rights, 3 contracts, appropriations, records, and property 4 Interagency Council on Pharmaceuticals Bulk Purchasing transferred to the Governor's Health Care Coordinating Council. A 5 6 rule, policy, procedure, or decision of the Interagency Council on 7 Pharmaceuticals Bulk Purchasing continues in effect as a rule, policy, procedure, or decision of the Governor's Health Care 8 Coordinating Council until superseded by an act of the Governor's 9 Health Care Coordinating Council. A reference in another law to the 10 Interagency Council on Pharmaceuticals Bulk Purchasing means the 11 Governor's Health Care Coordinating Council. 12
- SECTION 18. (a) Subchapter D, Chapter 301, Labor Code, is amended by adding Section 301.070 to read as follows:
- Sec. 301.070. DATABASE OF VOLUNTEER OPPORTUNITIES. The

 commission shall establish a comprehensive, searchable Internet

 database that lists opportunities throughout this state for

 volunteers to provide assistance to persons who are clients of

 state public assistance programs. The commission shall adopt rules

 regarding:
- 21 (1) minimum requirements a person who wants to submit 22 an opportunity for listing on the database must meet, including:
- 23 (A) the types of volunteer opportunities the 24 person may submit; and
- 25 <u>(B) the minimum information that must be provided</u>
 26 for a listing on the database;
- 27 (2) the method by which a prospective volunteer may

- 1 contact the person who lists an opportunity on the database; and
- 2 (3) procedures for maintaining confidentiality with
- 3 respect to the identity of clients who receive assistance through
- 4 the database.
- 5 (b) The Texas Workforce Commission shall operate the
- 6 database of volunteer opportunities required by Section 301.070,
- 7 Labor Code, as added by this section, as a component of the Work In
- 8 Texas employment matching database maintained on the commission's
- 9 Internet website.
- 10 (c) The Texas Workforce Commission shall establish the
- 11 database of volunteer opportunities required by Section 301.070,
- 12 Labor Code, as added by this section, not later than January 1,
- 13 2006.
- 14 SECTION 19. Subchapter C, Chapter 562, Occupations Code, is
- amended by adding Section 562.10851 to read as follows:
- Sec. 562.10851. PILOT PROGRAM. (a) Notwithstanding
- 17 Section 562.1085 of this code, Chapter 431, Health and Safety Code,
- or other law, the executive commissioner of the Health and Human
- 19 Services Commission in coordination with the board shall operate a
- 20 pilot program to allow the return of certain unused drugs that are
- 21 not sealed in the manufacturer's original packaging as required by
- 22 Section 562.1085(a)(1)(A).
- 23 (b) The pilot program under Subsection (a) may be conducted
- 24 only following passage of federal legislation to authorize the
- 25 return and redistribution of unused drugs that are not sealed in the
- 26 manufacturer's original packaging.
- 27 (c) This section expires September 1, 2010.

- SECTION 20. HEALTH INSURANCE PREMIUM PAYMENT ASSISTANCE 1 2 PROGRAM. (a) The Health and Human Services Commission, in 3 consultation with the Texas Department of Insurance, shall conduct a study to identify insurance reforms that would lower the cost of 4 5 group health benefit plans, as described by Section 1207.001, 6 Insurance Code, to small employers in a manner that will increase 7 the availability of group health benefit plans for which the state 8 can provide premium payment assistance under Section 62.059, Health and Safety Code, for a child as an alternative to enrolling the 9 child in the children's health insurance program under Chapter 62, 10 Health and Safety Code. 11
- 12 (b) Not later than December 1, 2006, the Health and Human
 13 Services Commission shall report to the standing committees of the
 14 senate and the house of representatives that have primary
 15 jurisdiction over insurance any recommendations for insurance
 16 reforms identified in the study conducted under Subsection (a) of
 17 this section.
- SECTION 21. MEDICAID COVERAGE FOR HEALTH INSURANCE PREMIUMS

 AND LONG-TERM CARE NEEDS. (a) The Health and Human Services

 Commission shall explore the commission's authority under federal

 law to offer, and the cost and feasibility of offering:
- (1) a stipend paid by the Medicaid program to a person to cover the cost of a private health insurance plan as an alternative to providing traditional Medicaid services for the person;
- 26 (2) premium payment assistance through the Medicaid 27 program for long-term care insurance for a person with a health

- 1 condition that increases the likelihood that the person will need
- 2 long-term care in the future; and
- 3 (3) a long-term care partnership between the Medicaid
- 4 program and a person under which the person pays the premiums for
- 5 long-term care insurance and the Medicaid program provides
- 6 continued coverage after benefits under that insurance are
- 7 exhausted, regardless of the person's household income or
- 8 resources.
- 9 (b) In exploring the feasibility of the options described by
- 10 Subsection (a) of this section, the Health and Human Services
- 11 Commission shall consider whether other state incentives that could
- 12 encourage persons to purchase health insurance plans or long-term
- 13 care insurance are feasible. The incentives may include offering
- 14 tax credits to businesses to increase the availability of
- 15 affordable insurance.
- 16 (c) If the Health and Human Services Commission determines
- 17 that any of the options described by Subsection (a) of this section
- 18 are feasible and cost-effective, the commission shall make efforts
- 19 to implement those options to the extent they are authorized by
- 20 federal law. The commission shall request any necessary waivers
- 21 from the Centers for Medicare and Medicaid Services as soon as
- 22 possible after determining that an option is feasible and
- 23 cost-effective. If the commission determines that legislative
- 24 changes are necessary to implement an option, the commission shall
- 25 report to the 80th Legislature and specify the changes that are
- 26 needed.
- 27 SECTION 22. CERVICAL CANCER INITIATIVE. (a) The

- 1 Department of State Health Services shall develop a strategic plan
- 2 to eliminate mortality from cervical cancer by the year 2015.
- 3 (b) The department shall collaborate with the Texas Cancer
- 4 Council and may convene workgroups as necessary that may include:
- 5 (1) physicians and nurses specializing in cervical
- 6 cancer screening, treatment, or research;
- 7 (2) cancer epidemiologists;
- 8 (3) representatives of medical schools or schools of
- 9 public health;
- 10 (4) high school or college health educators;
- 11 (5) representatives from geographic areas or other
- 12 population groups at higher risk of cervical cancer;
- 13 (6) representatives of community-based organizations
- involved in providing education, awareness, or support relating to
- 15 cervical cancer; or
- 16 (7) other representatives the department determines
- 17 are necessary.
- 18 (c) In developing the plan, the Department of State Health
- 19 Services shall:
- 20 (1) identify barriers to effective screening and
- 21 treatment for cervical cancer, including specific barriers
- 22 affecting providers and patients;
- 23 (2) identify methods to increase the number of women
- 24 screened regularly for cervical cancer;
- 25 (3) review current technologies and best practices for
- 26 cervical cancer screening;
- 27 (4) review technology available to diagnose and

- 1 prevent infection by Human Papilloma Virus;
- 2 (5) develop methods to create partnerships with public
- 3 and private entities to increase awareness of cervical cancer and
- 4 the importance of regular screening;
- 5 (6) review current screening, treatment, and related
- 6 activities in this state and identify gaps in service;
- 7 (7) identify actions to be taken to reduce the
- 8 morbidity and mortality from cervical cancer by the year 2015 and a
- 9 time line for taking those actions; and
- 10 (8) make recommendations to the legislature on policy
- 11 changes and funding needed to achieve the strategic plan.
- 12 (d) Not later than December 31, 2006, the Department of
- 13 State Health Services shall deliver the strategic plan to the
- 14 governor and members of the legislature.
- 15 (e) This section expires January 1, 2007.
- 16 SECTION 23. HEALTH CARE INFORMATION TECHNOLOGY ADVISORY
- 17 COMMITTEE. (a) Not later than January 1, 2006, the executive
- 18 commissioner of the Health and Human Services Commission shall
- 19 appoint an advisory committee on health care information
- 20 technology. The committee must include representatives of
- 21 interested groups, including the academic community and
- 22 associations of physicians, hospitals, and nurses.
- 23 (b) The advisory committee shall develop a long-range plan
- 24 for health care information technology, including the use of
- 25 electronic medical records, computerized clinical support systems,
- 26 computerized physician order entry, regional data sharing
- 27 interchanges for health care information, and other methods of

- 1 incorporating information technology in pursuit of greater cost
- 2 effectiveness and better patient outcomes in health care.
- 3 (c) Members of the advisory committee serve without
- 4 compensation but are entitled to reimbursement for the member's
- 5 travel expenses as provided by Chapter 660, Government Code, and
- 6 the General Appropriations Act.
- 7 (d) Chapter 2110, Government Code, does not apply to the
- 8 advisory committee.
- 9 (e) The advisory committee shall deliver its
- 10 recommendations to the legislature and the executive commissioner
- 11 of the Health and Human Services Commission not later than
- 12 September 1, 2006.
- 13 (f) This section expires and the advisory committee is
- 14 abolished September 1, 2006.
- 15 SECTION 24. FEDERAL AUTHORIZATION FOR IMPLEMENTATION. If
- 16 before implementing any provision of this Act a state agency
- determines that a waiver or authorization from a federal agency is
- 18 necessary for implementation of that provision, the agency affected
- 19 by the provision shall request the waiver or authorization and may
- 20 delay implementing that provision until the waiver or authorization
- 21 is granted.
- 22 SECTION 25. EFFECTIVE DATE. This Act takes effect
- 23 September 1, 2005.