By: Nelson S.B. No. 46

(In the Senate - Filed November 8, 2004; January 31, 2005, read first time and referred to Committee on Health and Human Services; March 10, 2005, reported adversely, with favorable Committee Substitute by the following vote: Yeas 6, Nays 1; March 10, 2005, sent to printer.)

COMMITTEE SUBSTITUTE FOR S.B. No. 46 By: Nelson

A BILL TO BE ENTITLED
AN ACT

relating to the establishment of a method to integrate benefits issuance and recipient identification for health and human services programs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 531, Government Code, is amended by adding Section 531.080 to read as follows:

Sec. 531.080. INTEGRATED BENEFITS ISSUANCE. (a) The commission may develop and implement a method to consolidate, to the extent possible, recipient identification and benefits issuance for the commission and health and human services agencies if the commission determines that the implementation would be feasible and cost-effective.

(b) The method may:

(1) provide for the use of a single integrated benefits issuance card or multiple cards capable of integrating benefits issuance or other program functions;

(2) incorporate a biometric identifier to enable personal identity verification at a point of service and reduce fraud;

(3) enable immediate electronic verification of recipient eligibility; and

(4) replace multiple forms, cards, or other methods used for fraud reduction or provision of health and human services benefits, including:

(A) electronic benefits transfer cards; and

(B) smart cards used in the Medicaid program.

(c) In developing and implementing the method, the commission shall:

(1) to the extent possible, use industry-standard communication, messaging, and electronic benefits transfer protocols;

(2) ensure that all identifying and descriptive information of recipients of each health and human services program included in the method can only be accessed by providers or other entities participating in the particular program;

(3) ensure that a provider or other entity participating in a health and human services program included in the method cannot identify whether a recipient of the program is receiving benefits under another program included in the method; and

(4) ensure that the storage and communication of all identifying and descriptive information included in the method complies with existing federal and state privacy laws governing individually identifiable information for recipients of public benefits programs.

SECTION 2. (a) Not later than January 1, 2006, the Health and Human Services Commission shall assess the feasibility and cost-effectiveness of using a single integrated benefits issuance card, multiple cards, or another method for consolidating recipient identification and benefits issuance for various health and human services programs, including:

(1) the financial assistance program under Chapter 31, Human Resources Code;

(2) the medical assistance program under Chapter 32,

Human Resources Code;

(3) the nutritional assistance programs under Chapter 33, Human Resources Code; and

(4) the special supplemental nutrition program for women, infants, and children authorized by 42 U.S.C. Section 1786.

(b) In conducting the assessment, the Health and Human Services Commission may consider information obtained from:

(1) the Medicaid fraud reduction pilot program required by Section 531.1063, Government Code;

(2) the Texas Integrated Enrollment Services eligibility determination system; and

(3) the state's electronic benefits transfer system.

(c) The Health and Human Services Commission may require any health and human services agency and the Department of Information Resources to assist the commission in performing its duties under this section.

SECTION 3. Not later than July 1, 2006, the Health and Human Services Commission shall report the findings of the assessment required by Section 2 of this Act to the clerks of the standing committees of the senate and house of representatives having jurisdiction over health and human services issues.

SECTION 4. If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 5. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2005.

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