

Amend Floor Amendment No. 38 on page 48 of the amendment packet by striking everything following "Medicaid Reform Waiver." and substituting the following:

"Contingent on findings that a Medicaid reform waiver is cost effective and feasible, the Health and Human Services Commission shall seek a Medicaid reform waiver or waivers from the Centers for Medicare and Medicaid Services that protect the interests of Texas Medicaid recipients and taxpayers by incorporating the following principles:

(a) efficiently leverage state, local, federal and other funding to:

(1) increase state flexibility in its use of Medicaid funding by authorizing tailored benefit plans designed to manage health conditions, not reduce plan benefits for any Medicaid recipient population;

(2) allow the state to be a more prudent purchaser and payer of health care ensuring positive health outcomes while pursuing value-conscious pricing;

(3) build on private market approaches and insurance-based premiums by establishing multi-share programs and/or low income pools that create more private coverage;

(4) reduce the state's uninsured through market-based solutions coupled with best state practices to maximize federal funds; and

(5) promote the transition of consumers from public insurance to private insurance by guaranteeing that any pooling of disproportionate share hospital (DSH) and upper payment limit (UPL) funds will include inflation and population growth factors.

(b) support the increased personal planning and investments in long term care needs;

(c) support consumer empowerment and choice by authorizing Health Savings Accounts, Premium Assistance, Health Insurance Premium Payment (HIPPP) programs, or "Opt-out" programs that:

(1) include a provision requiring that the Health and Human Services Commission first determine that it is cost effective;

(2) either exempt recipients under age 21 or

explicitly require that the program be designed to protect and promote children's access to preventive care and medical treatments; and

(3) guarantee that recipient participation is voluntary, and guarantee that a prompt return to regular Medicaid coverage is allowed on request by the recipient.

(d) create incentives for healthier behaviors by establishing programs that provide positive rewards for healthy behaviors, and not punitive incentives;

(e) align state policy and financial incentives by creating a more transparent, systematic, and efficient approach for allocating available funding within the health care system; and

(f) solicit broad-based stakeholder input.

Further it is the intent of the Legislature that any Medicaid reform waiver(s) sought from the federal government will not include a waiver of children's comprehensive health care under Early and Periodic Screening, Diagnosis and Treatment (EPSDT). The authority of the Health and Human Services Commission to impose any cost-sharing policies on Medicaid recipients is limited to non-emergent ER use co-payments. The Legislature also recognizes the unique needs of the state's rural providers, trauma centers, and primary care residency programs.