

BILL ANALYSIS

C.S.H.B. 3284
By: Laubenberg
Public Health
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The current structure of Medicaid discards the screening process that most consumers go through when they purchase a product or services, thus consumers of Medicaid-provided health care have less incentive to weigh the costs and benefits of obtaining unnecessary medical services, as well as little reason to live in a more health-conscious manner.

CSHB 3284 encourages value-conscious, health-conscious behavior in Medicaid-provided health care consumers and intends to facilitate and encourage such behavior.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

CSHB 3284 directs the Health and Human Services Commission (HHSC) to, if feasible and cost-effective, implement incentives to encourage Medicaid recipients to engage in healthy behaviors. Incentives may include enhanced benefit accounts, healthy opportunity accounts, health savings accounts, or other rewards accounts that allow recipients who engage in certain activities to earn credits to obtain additional benefits. Incentives implemented in CSHB 3284 must provide positive rewards for healthy behaviors, and not punitive incentives.

CSHB 3284 allows HHSC, to the extent permitted by federal law, to implement cost-sharing provisions that require a recipient who chooses a high-cost medical service provided through a hospital emergency room to pay a copayment if certain conditions are met and enumerates those conditions.

CSHB 3284 directs agencies affected by provisions in the bill to seek any necessary waivers or authorization to implement provisions of this bill.

EFFECTIVE DATE

September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

CSHB 3284 adds language to the original that states the implemented incentives must provide positive rewards for healthy behaviors, and not punitive incentives.