

BILL ANALYSIS

C.S.H.B. 3792
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Public Health
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Medicaid program was originally designed to serve all recipients with one standard benefit package, regardless of their actual health needs. Tailored benefits will allow Medicaid to more appropriately target services for the populations who need them.

Today, much of the innovation within Medicaid occurs through waiver programs. Texas has multiple waivers that allow the state to provide managed care, integrated acute and long-term care, and services in the communities.

Pursuit of tailored benefits will allow Texas to build on what has already been accomplished through waivers, to take advantage of authority recently provided to states under the federal Deficit Reduction Act, and to negotiate for further flexibility. More intensive care management ensures access to appropriate levels of services. Texas can also have the flexibility to provide new services to some populations not currently allowed under the state's plan if these populations need them. Managed care is currently allowed to provide services that account for individual clients; for example, while building a ramp to provide access to an individual's home is not allowed under the standard Medicaid program benefits, a waiver makes this provision.

CSHB 3792 will help ensure that Texas continues to develop comprehensive programs and benefits for its diverse Medicaid population.

RULEMAKING AUTHORITY

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

ANALYSIS

CSHB 3792 allows the Executive Commissioner (commissioner) of the Health and Human Services Commission (HHSC), if HHSC determines it is cost-effective, to seek a waiver under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315) to develop and implement tailored benefit packages designed to provide Medicaid benefits that are customized to meet the health care needs of recipients within defined categories of the Medicaid population, improve health outcomes for those recipients, improve those recipients' access to services, and achieve cost savings and efficiency.

CSHB 3792 provides that each tailored benefit package must include a basic set of benefits that are provided under all tailored benefit packages, a set of benefits customized to meet the health care needs of recipients in the defined category of the Medicaid population to which the package applies, and to the extent feasible, services to integrate the management of a recipient's acute and long-term care needs. The bill provides that a tailored benefit package may include any service available under the state Medicaid plan or under any federal Medicaid waiver, including any preventive health or wellness service.

CSHB 3792 requires the commissioner to define by rule each category of recipients to which a tailored benefits package applies and a mechanism for appropriately placing recipients in specific categories, and it enumerates the recipient populations to which a tailored benefit package may apply.

CSHB 3792 authorizes HHSC to make a payment for a service provided under a tailored benefit package developed under this section only if the service is medically necessary and provided in accordance with state and federal law. It requires a tailored benefit package developed under this section to increase state flexibility in its use of Medicaid funding, and not reduce state plan benefits for any Medicaid recipient population.

CSHB 3792 requires HHSC to offer the Early Periodic Screening, Diagnosis, and Treatment (EPSDT) services as required by federal law.

CSHB 3792 provides that 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.

EFFECTIVE DATE

September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

CSHB 3792 amends the original by adding "A tailored benefit package developed under this section shall increase state flexibility in its use of Medicaid funding, and not reduce state plan benefits for any Medicaid recipient population. The commission shall offer the Early Periodic Screening, Diagnosis, and Treatment (EPSDT) services as required by federal law."