

By: McReynolds

H.B. No. 2256

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the requirements for uniform fair hearing rules for
3 Medicaid services, including services that require prior
4 authorization.

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

6 SECTION 1. Section 531.024, Government Code, is amended to
7 read as follows:

8 Sec. 531.024. PLANNING AND DELIVERY OF HEALTH AND HUMAN
9 SERVICES. (a) The executive commissioner shall:

10 (1) facilitate and enforce coordinated planning and
11 delivery of health and human services, including:

12 (A) compliance with the coordinated strategic
13 plan;

14 (B) co-location of services;

15 (C) integrated intake; and

16 (D) coordinated referral and case management;

17 (2) develop with the Department of Information
18 Resources automation standards for computer systems to enable
19 health and human services agencies, including agencies operating at
20 a local level, to share pertinent data;

21 (3) establish and enforce uniform regional boundaries
22 for all health and human services agencies;

23 (4) carry out statewide health and human services
24 needs surveys and forecasting;

1 (5) perform independent special-outcome evaluations
2 of health and human services programs and activities;

3 (6) at the request of a governmental entity identified
4 under Section 531.022(e), assist that entity in implementing a
5 coordinated plan that may include co-location of services,
6 integrated intake, and coordinated referral and case management and
7 is tailored to the needs and priorities of that entity; and

8 (7) promulgate uniform fair hearing rules for all
9 Medicaid-funded services.

10 (b) The rules promulgated under Subsection (a)(7) must
11 provide due process to an applicant for Medicaid services and to a
12 Medicaid recipient who seeks a Medicaid service, including a
13 service that requires prior authorization. The rules must provide
14 the protections for applicants and recipients required by 42 C.F.R.
15 Part 431, Subpart E, including requiring that:

16 (1) the written notice to an individual of the
17 individual's right to a hearing must:

18 (A) contain an explanation of the circumstances
19 under which Medicaid is continued if a hearing is requested; and

20 (B) be mailed at least 10 days before the date the
21 individual's Medicaid eligibility or service is scheduled to be
22 terminated, suspended, or reduced, except as provided by 42 C.F.R.
23 Section 431.213 or 431.214; and

24 (2) if a hearing is requested before the date a
25 Medicaid recipient's service is scheduled to be terminated,
26 suspended, or reduced, the agency may not take that proposed action
27 before a decision is rendered after the hearing, except as provided

1 by Subsection (c).

2 (c) An agency may take the proposed action described by
3 Subsection (b)(2) before a decision is rendered after the hearing
4 only if it is determined at the hearing that:

5 (1) the sole issue is one of federal or state law or
6 policy, and the Medicaid recipient is promptly informed in writing
7 that services are to be terminated or reduced pending the hearing
8 decision; or

9 (2) the service the recipient seeks to continue
10 pending the hearing decision is an increased amount of the service
11 or is a service that requires prior authorization, and the service
12 was not authorized during the preceding prior authorization period.

13 SECTION 2. If before implementing any provision of this Act
14 a state agency determines that a waiver or authorization from a
15 federal agency is necessary for implementation of that provision,
16 the agency affected by the provision shall request the waiver or
17 authorization and may delay implementing that provision until the
18 waiver or authorization is granted.

19 SECTION 3. This Act takes effect September 1, 2007.