

1-1 By: McReynolds (Senate Sponsor - Deuell) H.B. No. 2256
1-2 (In the Senate - Received from the House May 14, 2007;
1-3 May 15, 2007, read first time and referred to Committee on Health
1-4 and Human Services; May 18, 2007, reported favorably by the
1-5 following vote: Yeas 7, Nays 0; May 18, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the requirements for uniform fair hearing rules for
1-9 Medicaid services, including services that require prior
1-10 authorization.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Section 531.024, Government Code, is amended to
1-13 read as follows:

1-14 Sec. 531.024. PLANNING AND DELIVERY OF HEALTH AND HUMAN
1-15 SERVICES. (a) The executive commissioner shall:

1-16 (1) facilitate and enforce coordinated planning and
1-17 delivery of health and human services, including:

1-18 (A) compliance with the coordinated strategic
1-19 plan;

1-20 (B) co-location of services;

1-21 (C) integrated intake; and

1-22 (D) coordinated referral and case management;

1-23 (2) develop with the Department of Information
1-24 Resources automation standards for computer systems to enable
1-25 health and human services agencies, including agencies operating at
1-26 a local level, to share pertinent data;

1-27 (3) establish and enforce uniform regional boundaries
1-28 for all health and human services agencies;

1-29 (4) carry out statewide health and human services
1-30 needs surveys and forecasting;

1-31 (5) perform independent special-outcome evaluations
1-32 of health and human services programs and activities;

1-33 (6) at the request of a governmental entity identified
1-34 under Section 531.022(e), assist that entity in implementing a
1-35 coordinated plan that may include co-location of services,
1-36 integrated intake, and coordinated referral and case management and
1-37 is tailored to the needs and priorities of that entity; and

1-38 (7) promulgate uniform fair hearing rules for all
1-39 Medicaid-funded services.

1-40 (b) The rules promulgated under Subsection (a)(7) must
1-41 provide due process to an applicant for Medicaid services and to a
1-42 Medicaid recipient who seeks a Medicaid service, including a
1-43 service that requires prior authorization. The rules must provide
1-44 the protections for applicants and recipients required by 42 C.F.R.
1-45 Part 431, Subpart E, including requiring that:

1-46 (1) the written notice to an individual of the
1-47 individual's right to a hearing must:

1-48 (A) contain an explanation of the circumstances
1-49 under which Medicaid is continued if a hearing is requested; and

1-50 (B) be mailed at least 10 days before the date the
1-51 individual's Medicaid eligibility or service is scheduled to be
1-52 terminated, suspended, or reduced, except as provided by 42 C.F.R.
1-53 Section 431.213 or 431.214; and

1-54 (2) if a hearing is requested before the date a
1-55 Medicaid recipient's service, including a service that requires
1-56 prior authorization, is scheduled to be terminated, suspended, or
1-57 reduced, the agency may not take that proposed action before a
1-58 decision is rendered after the hearing unless:

1-59 (A) it is determined at the hearing that the sole
1-60 issue is one of federal or state law or policy; and

1-61 (B) the agency promptly informs the recipient in
1-62 writing that services are to be terminated, suspended, or reduced
1-63 pending the hearing decision.

1-64 SECTION 2. If before implementing any provision of this Act

2-1 a state agency determines that a waiver or authorization from a
2-2 federal agency is necessary for implementation of that provision,
2-3 the agency affected by the provision shall request the waiver or
2-4 authorization and may delay implementing that provision until the
2-5 waiver or authorization is granted.

2-6 SECTION 3. This Act takes effect September 1, 2007.

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