By: Hughes H.B. No. 3916

A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to the regional implementation of the privatization of
- 3 substitute care and case management services.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 264.106(j), Family Code, is amended to
- 6 read as follows:
- 7 (j) On and after September 1, 2012 [2011], the department
- 8 may provide substitute care and case management services in an
- 9 emergency. The executive commissioner shall adopt rules describing
- 10 the circumstances in which the department may provide those
- 11 services.
- 12 SECTION 2. Section 45.054, Human Resources Code, is amended
- 13 by amending Subsections (a), (b), (e), (f), and (g) and adding
- 14 Subsection (e-1) to read as follows:
- 15 (a) The department shall implement, subject to the
- 16 determinations made in accordance with Subsection (e-1), the
- 17 privatization of substitute care and case management services on a
- 18 regional basis in accordance with the transition plan. The
- 19 transition plan must include a schedule with deadlines for
- 20 implementation of the plan. Subject to the requirements of
- 21 Subsections (c), (d), [and] (e), and (e-1), statewide
- 22 implementation of the plan shall be completed not later than
- 23 September 1, 2012 [$\frac{2011}{2}$]. The commission shall propose the first
- 24 three regions of the state for implementation of privatization

- 1 based on state demographics and shall consider including a rural
- 2 region, a metropolitan region, and a region including border areas
- 3 of the state.
- 4 (b) The transition plan must include a schedule with the
- 5 following deadlines for implementation of the plan:
- 6 (1) completion of the transition plan, not later than
- 7 March 1, 2006;
- 8 (2) release of a request for proposal for a geographic
- 9 region of the state designated by the department, not later than
- 10 April 30, 2006;
- 11 (3) the awarding <u>and funding</u> of the contract <u>for</u>
- 12 Region 8 [described by Subdivision (2)], not later than July 1, 2007
- 13 [September 30, 2006];
- 14 (4) establishment of the multidisciplinary team and
- 15 necessary processes, evaluation criteria, and monitoring tools to
- 16 be used to monitor and evaluate the performance of the contractor,
- 17 not later than July 1, 2007 [September 30, 2006];
- 18 (5) completion of the transition of substitute care
- 19 and case management services in Region 8 [the first region], not
- 20 later than May 31, 2008 [December 31, 2007];
- 21 (6) the review and evaluation of the multidisciplinary
- 22 team's reports pertaining to the contractor's achievement of
- 23 performance-based milestones and the effect on the quality of
- 24 permanency services provided, annually beginning May 31, 2008
- 25 [December 31, 2007];
- 26 (7) completion of the transition of substitute care
- 27 and case management services in the second and third regions, not

- 1 later than December 1, 2010 [2009]; and
- 2 (8) completion of the statewide implementation of
- 3 contracted substitute care and case management services for
- 4 additional geographic regions, not later than September 1, 2012
- 5 [2011].
- 6 (e) The department shall continue to implement the
- 7 transition plan for the second and third regions only after:
- 8 (1) the commission reports to the House Human Services
- 9 Committee, or its successor, and the Senate Health and Human
- 10 Services Committee, or its successor, the status of the initial
- 11 transition of services to a contractor in the first region not later
- 12 than September 1, 2007 [December 31, 2006];
- 13 (2) the independent third party with whom the
- 14 department contracts under Subsection (c) evaluates and reports to
- 15 the House Human Services Committee, or its successor, and the
- 16 Senate Health and Human Services Committee, or its successor, on
- 17 the performance of contracted substitute care and case management
- 18 services in the first region not later than May 31, 2009 [December
- 19 $\frac{31,2008}{}$; and
- 20 (3) the commission determines, based on the report
- 21 prepared under Subdivision (2) or information obtained by the
- 22 review required under Subsection (b)(6), whether material
- 23 modifications to the model for privatization of substitute care and
- 24 case management services are necessary and submits a report and
- 25 recommendations to the House Human Services Committee, or its
- 26 successor, and the Senate Health and Human Services Committee, or
- its successor, not later than May 31, 2009 [December 31, 2008].

(e-1) The House Human Services Committee, or its successor, and the Senate Health and Human Services Committee, or its successor, shall evaluate the reports and recommendations of the independent third party with whom the department contracts under Subsection (c) and the commission's recommendation under Subsection (e)(3) to determine whether the department shall continue to implement the transition plan for the second and third regions, based on the outcome of the demonstration region, Region 8.

- 10 (f) The department may not implement the transition plan for 11 the second and third regions before September 1, 2010 [2009].
- 12 (g) The department shall continue to implement the transition plan for the remaining regions of the state only after:
 - (1) the independent third party with whom the department contracts under Subsection (c) evaluates and reports to the House Human Services Committee, or its successor, and the Senate Health and Human Services Committee, or its successor, on the performance of contracted substitute care and case management services in the second and third regions not later than September 1, 2011 [2010]; and
 - (2) the commission determines, based on the report prepared under Subdivision (1) or information obtained by the review required under Subsection (b)(6), whether material modifications to the model for privatization of substitute care and case management services are necessary and submits a report and recommendations to the House Human Services Committee, or its successor, and the Senate Health and Human Services Committee, or

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- 1 its successor, not later than December 31, 2011 [2010].
- 2 SECTION 3. This Act takes effect immediately if it receives
- 3 a vote of two-thirds of all the members elected to each house, as
- 4 provided by Section 39, Article III, Texas Constitution. If this
- 5 Act does not receive the vote necessary for immediate effect, this
- 6 Act takes effect September 1, 2007.