

## **BILL ANALYSIS**

C.S.H.B. 4158  
By: Rose  
Human Services  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Many questions and concerns have been raised about whether legislative appropriations have been sufficient to fully fund the methodology used by the Health and Human Services Commission to pay nursing facilities for Medicaid recipients.

C.S.H.B. 4158 requires the commission to periodically conduct an analysis of the base rates paid for nursing home services provided under the Medicaid program to enable the executive commissioner of the commission to appropriately set future rates.

### **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**

C.S.H.B. 4158 amends the Human Resources Code to require the Health and Human Services Commission to periodically conduct an analysis of the base rates paid for nursing home services provided under the Medicaid program to enable the executive commissioner of the commission to appropriately set future rates. The bill authorizes the commission, in conducting the analysis, to consider any factors the commission considers relevant, including the costs incurred by nursing homes to provide services to recipients of medical assistance, general and health care specific inflation issues, rates paid in other states for comparable services, and incentives offered to improve quality of care. The bill makes technical changes to conform to this provision.

C.S.H.B. 4158 requires a state agency that is affected by a provision of the bill to request a federal waiver or authorization if the agency determines that a waiver or authorization is necessary for the implementation of the provision, and it authorizes the agency to delay implementation until the federal waiver or authorization is obtained.

### **EFFECTIVE DATE**

September 1, 2009.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 4158 omits a provision in the original authorizing the commission, for the purposes of the administration of the Medicaid program, to adjust fees, charges, and rates paid for nursing home services based on the commission's findings related to factors analyzed under provisions regarding the base rates paid for nursing home services provided under the program. The substitute differs from the original by clarifying that the commission is authorized to consider general and health care specific inflation rates, rather than the inflation rate, in conducting the analysis of the base rates paid for nursing home services provided under the Medicaid program.