

BILL ANALYSIS

C.S.S.B. 288
By: Nelson
Public Health
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Texas Health and Human Services Commission is statutorily required to make efforts to use technology to streamline the Medicaid program and reduce paperwork, but there are no statutes requiring a provider to check electronic health records. It is dangerous and unsafe for a Medicaid provider to provide services to a patient without checking the patient's medical history.

C.S.S.B. 288 authorizes the Health and Human Services Commission to require a Medicaid provider providing acute care services to review a Medicaid recipient's medication history contained in any electronic health record to which the provider has access before providing care. The bill requires the establishment of a Health Care Quality Advisory Committee to assist the commission in defining best practices and quality performance and setting performance standards. The bill sets forth procedures for the establishment of quality-based payment initiatives pilot programs for the provision of health care services for children's health insurance program enrollees and Medicaid recipients.

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 2 of this bill.

ANALYSIS

C.S.S.B. 288 amends the Government Code to authorize the Health and Human Services Commission (HHSC), as part of a quality based payment initiatives pilot program developed under the bill's provisions, to require a health care provider providing acute care services under the state Medicaid program to review, before providing an acute care service or procedure to a Medicaid recipient, the recipient's prescription and nonprescription medication history included in a health passport provided to the recipient under provisions relating to medical care for foster children or any other law, or included in any other electronic health records maintained under the Medicaid program with respect to the recipient and to which the provider has access.

C.S.S.B. 288 requires HHSC to establish the Health Care Quality Advisory Committee to assist HHSC with defining best practices and quality performance with respect to health care services and setting standards for quality performance by health care providers and facilities for purposes of programs administered by HHSC or a health and human services agency. The bill requires the executive commissioner of HHSC to appoint the members of the advisory committee, including the presiding officer, and prescribes membership requirements for the advisory committee. The bill prescribes the issues on which the advisory committee is required to advise HHSC.

C.S.S.B. 288 adds a temporary provision, set to expire September 2, 2013, to authorize health care providers and facilities to submit proposals to HHSC for the implementation through pilot programs of quality-based payment initiatives that provide incentives to the providers and facilities, as applicable, to develop health care interventions for children's health insurance

program enrollees or Medicaid recipients, or both, that are cost-effective to the state and will improve the quality of health care provided to the enrollees or recipients. The bill requires HHSC to determine whether it is feasible and cost-effective to implement one or more of the proposed pilot programs and to examine alternative payment methodologies used in the Medicare program and consider whether implementing one or more of the methodologies through a pilot program, modified as necessary to account for programmatic differences, would achieve cost savings in the Medicaid program while ensuring the use of best practices.

C.S.S.B. 288 requires HHSC, on determination that implementation of one or more quality-based payment initiatives pilot programs is feasible and cost-effective, to establish one or more such programs to test pay-for-performance payment system alternatives to traditional fee-for-service or other payments made to health care providers or facilities participating in the children's health insurance program or Medicaid program, as applicable, that are based on best practices, outcomes, and efficiency, but ensure high-quality, effective health care services. The bill requires HHSC to administer any such pilot program and authorizes the executive commissioner to adopt rules, plans, and procedures and enter into contracts and other agreements as the executive commissioner considers appropriate and necessary. The bill authorizes HHSC to limit a pilot program to one or more regions of the state, one or more organized networks of health care facilities and providers, or specified types of services or enrollees or recipients under the children's health insurance program or Medicaid program. The bill requires a pilot program to be operated for at least one state fiscal year.

C.S.S.B. 288 requires the executive commissioner, in consultation with the Health Care Quality Advisory Committee, to approve quality of care standards, evidence-based protocols, and measurable goals for a pilot program to ensure high-quality and effective health care services. The bill authorizes the executive commissioner additionally to approve efficiency performance standards that may include the sharing of realized cost savings with health care providers and facilities that provide health care services that exceed the efficiency performance standards. The bill authorizes the executive commissioner to contract with appropriate entities, including qualified actuaries, to assist in determining appropriate payment rates for a pilot program and to increase a payment rate, including a capitation rate, as necessary to adjust the rate for inflation. The bill requires the executive commissioner to ensure that services provided to a children's health insurance program enrollee or Medicaid recipient, as applicable, meet the required quality of care standards and are at least equivalent to the services provided under the applicable program for which the enrollee or recipient is eligible. The bill defines "pay-for-performance payment system" and "pilot program."

C.S.S.B. 288 requires the executive commissioner to appoint the members of the Health Care Quality Advisory Committee not later than November 1, 2009. The bill requires HHSC, not later than November 1, 2012, to present a report to the governor, the lieutenant governor, the speaker of the house of representatives, and the members of each legislative committee having jurisdiction over the children's health insurance program and Medicaid program and prescribes the required contents of the report.

C.S.S.B. 288 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.S.B. 288 differs from the original by authorizing the Health and Human Services Commission (HHSC), as part of a quality-based payment initiatives pilot program, to require a health care provider providing acute care services to review a patient's prescription and non-prescription medication history included in certain records before providing such services to a Medicaid recipient, rather than requiring a physician or other health care provider to review such information and requiring the executive commissioner of HHSC to adopt rules to ensure that each physician or other health care provider providing such services complies with that requirement as in the original.

C.S.S.B. 288 adds provisions not included in the original relating to the establishment of a Health Care Quality Advisory Committee. The substitute adds a temporary provision not included in the original providing for the implementation of quality-based payment initiatives pilot programs for the provision of health care services to children's health insurance program enrollees and Medicaid program recipients. The substitute adds provisions not included in the original setting a deadline for the executive commissioner's appointment of the members of the advisory committee and requiring HHSC to submit a report containing information pertaining to each pilot program to the governor, presiding officers of the legislature, and each legislative committee having jurisdiction over the children's health insurance program and the Medicaid program.