

BILL ANALYSIS

S.B. 531
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Public Health
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The billing coordination system was established through passage of S.B. 10 by the 80th Legislature, Regular Session, 2007, allowing the Health and Human Services Commission (HHSC) to implement a system that identifies when Medicaid should and should not pay for claims on acute care. In the first months after being established, HHSC estimates that the billing coordination system identified more than 90,000 Medicaid patients in Texas who had private or group health insurance coverage.

The need for long term care increases as the population of Texas continues to age. Texas can prevent unnecessary waste in Medicaid spending by processing all claims, including long term care, through the billing coordination system.

S.B. 531 requires HHSC, if cost-effective and feasible, to contract to expand the acute care Medicaid billing coordination system to process claims for all other health care services provided through the Medicaid program in the manner claims for acute care services are processed by the system.

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

S.B. 531 amends Section 531.02413, Government Code, as added by Chapter 268 (S.B. 10), Acts of the 80th Legislature, Regular Session, 2007, to require the Health and Human Services Commission (HHSC), if cost-effective and feasible, to contract to expand the acute care Medicaid billing coordination system to process claims for all other health care services provided through the Medicaid program in the manner claims for acute care services are processed by the system. The bill exempts from this provision claims for health care services provided through the Medicaid program if, before September 1, 2009, those claims were being processed by an alternative billing coordination system. The bill clarifies that the rules the executive commissioner of HHSC is required to adopt for the purposes of enabling the system to identify the primary payor for a claim that is processed by the system and establish reporting requirements for any entity that may have a contractual responsibility to make certain payments refer to the acute care Medicaid billing coordination system, and makes conforming changes. The bill authorizes HHSC to seek to amend an existing contract entered into under provisions regarding the billing coordination system, or to enter into a new contract, to implement the changes made to those provisions by the bill.

S.B. 531 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.