

BILL ANALYSIS

C.S.S.B. 796
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Public Health
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Research has shown that individuals who have a substance abuse disorder and who are not receiving treatment have double the medical costs of people without a substance abuse disorder. According to the National Institutes of Health, substance abuse disorders are brain diseases that can be successfully managed, much like diabetes, asthma, or heart disease. In fiscal year 2006, fewer than 25 percent of the more than 47,000 adult clients in the Texas Medicaid program with a substance abuse disorder received treatment. Currently, treatment options for this population are limited. Research strongly suggests that by using existing funds to provide comprehensive substance abuse treatment, Texas would see a decrease in spending related to the health care costs associated with Texas Medicaid clients who have an untreated substance abuse disorder. Currently, the cost of such health care services is approximately \$109 million annually.

C.S.S.B. 796 requires the Legislative Budget Board (LBB) to conduct a study regarding the cost-effectiveness of providing comprehensive substance abuse treatment to applicable Medicaid recipients. The bill requires the Health and Human Services Commission to provide comprehensive substance abuse treatment under Medicaid program to certain recipients, unless the LBB study determines that the cost of providing such services results in an increase in overall Medicaid spending.

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.S.B. 796 amends the Government Code to require the Health and Human Services Commission (HHSC) to monitor the provision of comprehensive substance abuse treatment to Medicaid recipients who are at least 21 years of age and analyze data relating to the provision of those services. The bill requires HHSC to provide the data to the Legislative Budget Board (LBB) in the format and at the times requested by LBB.

C.S.S.B. 796 requires the data analyzed by HHSC and provided to LBB to be measured in three consecutive years, including the year before the year in which the recipient receives comprehensive substance abuse treatment, the year in which the treatment is first provided, and the following year; and to include at least the number of recipients to whom comprehensive substance abuse treatment is provided, the type of substance abuse treatment provided, the average annual cost per recipient of treatment under the Medicaid program other than the comprehensive substance abuse treatment, including inpatient services other than inpatient labor and delivery services, emergency department services, outpatient services, and pharmaceutical and ancillary services, the average annual cost per recipient of the comprehensive substance abuse treatment, and the average annual number per recipient of inpatient days, emergency department visits, and outpatient visits.

C.S.S.B. 796 requires HHSC to collect the average annual cost per recipient of treatment under the Medicaid program, other than the comprehensive substance abuse treatment program, and the average annual number per recipient of inpatient days, emergency department visits, and outpatient visits, for Medicaid recipients who are at least 21 years of age and with respect to whom there is no evidence of a substance abuse disorder for the same three-year period. The bill requires HHSC to ensure that data is analyzed using appropriate demographic categories, including recipient age, disability, and income, and using the type of service delivery model through which the recipient received services through Medicaid, including the fee-for-service, primary care case management, and health maintenance organization models.

C.S.S.B. 796 requires LBB, using the data provided by HHSC, to evaluate cost and utilization trends and whether the provision of comprehensive substance abuse treatment through the state Medicaid program results in an increase in overall Medicaid spending. The bill requires LBB, not later than February 1, 2013, to prepare and publish a report of the data, and to provide a draft of the report to HHSC before publishing the report. The bill prohibits HHSC, if LBB determines that the provision of comprehensive substance abuse treatment through the state Medicaid program has resulted in an increase in overall Medicaid spending, from continuing to provide those services to a Medicaid recipient who is at least 21 years of age.

C.S.S.B. 796 establishes that the above provisions expire March 1, 2013.

C.S.S.B. 796 amends the Human Resources Code to require HHSC, except as otherwise provided, to provide comprehensive substance abuse treatment under Medicaid to a person who is at least 21 years of age, has a substance abuse disorder, and otherwise qualifies for Medicaid. The bill prohibits HHSC from providing treatment, if based on the substance abuse treatment evaluation data, LBB determines that the treatment resulted in an increase in overall state Medicaid spending. The bill specifies that comprehensive substance abuse treatment includes assessment, residential detoxification, outpatient detoxification, medication-assisted treatment, residential services, specialized residential services for women, outpatient chemical dependency counseling, and any other necessary services as determined by HHSC.

C.S.S.B. 796 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. 796 differs from the original by including medication-assisted treatment among the services comprising comprehensive substance abuse treatment, rather than methadone maintenance as in the original.