

## **BILL ANALYSIS**

Senate Research Center

S.B. 1842  
By: Van de Putte, Uresti  
Health & Human Services  
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### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Texas ranks 14th in the United States for rates of preterm births. High-risk pregnancies that result in the birth of premature or low birthweight infants are both unhealthy and expensive. Premature infants are more likely to have health problems as newborns, and are more likely to suffer from respiratory distress syndrome, bleeding in the brain, and a health problem called patent ductus arteriosus. Furthermore, some studies suggest that premature infants are more likely to have health problems as adults, such as high blood pressure, diabetes, and heart disease. Additionally, premature births are more costly. A healthy birth costs approximately \$1,500, while a premature infant's hospital stay costs an average of \$79,000 and can exceed one million dollars. In fiscal year 2007, the Health and Human Services Commission (HHSC) reported that premature births cost over \$408 million.

The two strongest indicators that a pregnancy will result in a preterm birth are a prior preterm birth and a short interval between births. This bill targets a group of women who are likely to have a subsequent high-risk and expensive pregnancy in order to improve birth outcomes and decrease the number of low birthweight births in Texas and the cost associated therewith. Extending health care to mothers of preterm babies will prevent subsequent preterm births, which will reduce infant deaths, disease, disability and Medicaid costs for Texas taxpayers.

Approximately half of all Texas births are paid for by Medicaid, and women who deliver while on Medicaid are more likely to have poor pregnancy outcomes. Births covered by Medicaid are more likely to have had a gestation period of less than 37 weeks, and women on Medicaid are twice as likely to have one or more low birth weight babies. Further, Medicaid births are more likely to be spaced less than 18 months apart, and women with short interval births are much more likely to have premature or low birth weight infants.

As proposed, S.B. 1842 requires HHSC to develop a concept paper for submission to the Centers for Medicare and Medicaid Services for a pilot program under which medical assistance is provided for an additional period of 18 months after delivery to women who deliver premature or low weight infants while receiving medical assistance. This bill also requires HHSC, if feasible, to seek a waiver or authorization from the federal government to establish a pilot program funded by Medicaid, aimed at reducing high-risk pregnancies, in Bexar County.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 1 (Section 32.02491, Human Resources Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter B, Chapter 32, Human Resources Code, by adding Section 32.02491, as follows:

Sec. 32.02491. HIGH-RISK PREGNANCY PREVENTION PILOT PROGRAM. (a) Defines "low birth weight infant," "managed care organization," and "premature infant."

(b) Requires the Health and Human Services Commission (HHSC) or an agency operating part of the medical assistance program, as appropriate (department), in coordination with the work group created under Subdivision 2(e)(1) to:

(1) develop a concept paper for submission to the Centers for Medicare and Medicaid Services (CMS) for a pilot program under which medical assistance is provided for an additional period of 18 months after delivery to women who deliver premature or low birth weight infants while receiving medical assistance; and

(2) if feasible, develop and seek a waiver or authorization from a federal agency to establish a pilot program under which medical assistance is provided for an additional period of 18 months after delivery to women who deliver premature or low birth weight infants while receiving medical assistance.

(c) Requires that medical assistance required under the pilot program be provided through the Medicaid managed care program implemented under Chapter 533 (Implementation of Medicaid Managed Care Program), Government Code.

(d) Requires that the pilot program be established in the service delivery area that includes Bexar County.

(e) Requires the department to create a work group to provide recommendations regarding the development of the concept paper and waiver required by Subdivision (1) that includes certain members.

(f) Authorizes the executive commissioner of HHSC to adopt rules to implement this section.

(g) Requires the department, not later than December 1, 2010, to submit a report to the legislature regarding the department's progress in developing the concept paper and waiver for establishing and operating the pilot program.

(h) Provides that this section expires September 1, 2011.

SECTION 2. Effective date: September 1, 2009.