

By: Zerwas

H.B. No. 497

A BILL TO BE ENTITLED

1 AN ACT

2 relating to a study to determine the effect on the health care
3 infrastructure in this state if the state Medicaid program is
4 abolished or a severe reduction in federal matching money under the
5 program occurs.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. (a) The Health and Human Services Commission and
8 Texas Department of Insurance shall conduct a joint study to
9 determine the effect on the health care infrastructure in this
10 state, including health care delivery mechanisms, if the state
11 Medicaid program is abolished or the amount of federal matching
12 money available to the state under the program is severely reduced.
13 The study must address the effect on the availability of and
14 accessibility to health care services provided under the state
15 Medicaid program as of the effective date of this Act.

16 (b) As part of the study, the Health and Human Services
17 Commission and Texas Department of Insurance shall:

18 (1) identify all available health care resources
19 throughout the state, both public and private, that are not funded
20 wholly or partly by the state Medicaid program;

21 (2) determine the extent to which the state Medicaid
22 program has become a substitute for health care coverage by private
23 health care providers or charitable care providers, and, if the
24 study finds that a crowd-out effect has occurred, recommend

1 policies the state should implement to limit the crowd-out effect
2 and increase the number of private health care and charitable care
3 providers;

4 (3) identify which population groups receiving
5 services under the state Medicaid program as of the effective date
6 of this Act would be most at risk of losing those services if the
7 program were abolished or the amount of federal matching money
8 available to the state under the program were severely reduced; and

9 (4) determine the effect abolishment of the state
10 Medicaid program would have on local health care service providers
11 and local financing mechanisms that provide or support care to
12 individuals who cannot afford necessary health care services.

13 (c) Not later than July 1, 2010, the Health and Human
14 Services Commission and Texas Department of Insurance shall submit
15 a joint report of the commission's and department's findings and
16 conclusions resulting from the study, and any recommendations
17 required under Subsection (b)(2) of this section, to the lieutenant
18 governor, the speaker of the house of representatives, and the
19 presiding officers of the standing committees of the senate and
20 house of representatives having primary jurisdiction over health
21 and human services. The report must include:

22 (1) a statewide plan for making a transition of the
23 provision and delivery of health care services from the state
24 Medicaid program to a new health care delivery system if the program
25 were abolished or the amount of federal matching money available to
26 the state under the program were severely reduced; and

27 (2) an analysis of the fiscal impact to this state of

1 continuing to provide health care services to population groups
2 served by the state Medicaid program if the program were abolished
3 or the amount of federal matching money available to the state under
4 the program were severely reduced, including a fiscal analysis for
5 each phase of the transition plan described by Subdivision (1) of
6 this subsection.

7 (d) The executive commissioner of the Health and Human
8 Services Commission and the commissioner of insurance shall adopt
9 the transition plan required by Subsection (c)(1) of this section
10 as a contingency plan for transitioning recipients of health care
11 services from the state Medicaid program to a new health care
12 delivery system.

13 SECTION 2. This Act takes effect immediately if it receives
14 a vote of two-thirds of all the members elected to each house, as
15 provided by Section 39, Article III, Texas Constitution. If this
16 Act does not receive the vote necessary for immediate effect, this
17 Act takes effect September 1, 2009.