By: Marquez

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A BILL TO BE ENTITLED AN ACT relating to an eligibility determination system for the child health plan and Medicaid programs operated by state employees. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: SECTION 1. The legislature finds that it is in the best interests of this state not to renew contracts made with call centers under Section 531.063, Government Code, and to focus state resources and efforts on the reconstruction of an effective, local-office-based eligibility determination system for the child health plan and Medicaid programs that is operated by trained and knowledgeable state employees. SECTION 2. Subchapter B, Chapter 531, Government Code, is amended by adding Section 531.0631 to read as follows: Sec. 531.0631. ELIGIBILITY DETERMINATIONS FOR CERTAIN PROGRAMS. (a) The commission shall ensure that all initial applications and eligibility recertifications for the child health plan program under Chapter 62, Health and Safety Code, and the medical assistance program under Chapter 32, Human Resources Code, are processed only by state employees using the system required by

21 (b) This section applies regardless of whether an 22 application or eligibility recertification is received or 23 processed through a call center or local office.

24 (c) The commission may operate a call center to process an

Section 531.192.

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application or eligibility recertification only if the commission
determines that a call center is a useful, cost-effective method to
provide that function. The call center must be staffed by state
employees.
SECTION 3. Subchapter F, Chapter 531, Government Code, is
amended by adding Section 531.192 to read as follows:
Sec. 531.192. INTAKE SYSTEM FOR CERTAIN PROGRAMS. (a)
Notwithstanding any other law, the commission shall implement an
intake system for the child health plan program under Chapter 62,
Health and Safety Code, and the children's Medicaid program under
Chapter 32, Human Resources Code, using only trained state
employees who are knowledgeable with respect to the eligibility
requirements of those programs.
(b) The commission may operate a call center to provide an
intake function only if the commission determines that a call
center is a useful, cost-effective method to provide that function.
The call center must be staffed by state employees.
(c) Notwithstanding any other law, the commission may not
contract with a private entity to perform any function specified by
this section.
SECTION 4. Section 531.191(d), Government Code, is amended
to read as follows:
(d) Except as provided by Sections 531.0631 and 531.192, on
[On] receipt by the state of any necessary federal approval and
subject to the approval of the governor and the Legislative Budget
subject to the approval of the governor and the Legislative Budget

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1 determines that contracting may advance the objectives of Subsections (a) and (b) and meets the criteria set out in the 2 3 cost-benefit analysis described in this subsection. Before the awarding of a contract, the commission shall provide a detailed 4 5 cost-benefit analysis to the governor and the Legislative Budget Board. The analysis must demonstrate the cost-effectiveness of the 6 plan, mechanisms for monitoring performance under the plan, and 7 8 specific improvements to the service delivery system and client access made by the plan. The commission shall make the analysis 9 10 available to the public. Within 10 days after the release of a request for bids, proposals, offers, or other applicable 11 12 expressions of interest relating to the development or implementation of the plan required by Subsection (a), 13 the 14 commission shall hold a public hearing and receive public comment 15 on the request.

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SECTION 5. Section 531.063, Government Code, is repealed.

SECTION 6. The Health and Human Services Commission may not renew a contract entered into before the effective date of this Act for the establishment of a call center under Section 531.063, Government Code, and may not enter into a new contract for that purpose, on or after the effective date of this Act. During the term of the contract entered into before the effective date of this Act, the commission:

(1) must continue to directly operate local offices
for the purpose of determining an applicant's eligibility for
health and human services programs and allow an applicant to access
a local office in lieu of accessing a call center for an eligibility

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1 determination; and

2 (2) may not terminate the employment of any state 3 employee whose primary job function involves determining the 4 eligibility of an applicant for health and human services programs 5 on the basis that the performance of those functions is no longer 6 needed.

7 SECTION 7. Not later than January 1, 2010, the Health and 8 Human Services Commission shall submit to the governor, lieutenant 9 governor, speaker of the house of representatives, and standing 10 committees of each house of the legislature having jurisdiction 11 over health and human services a plan on how the commission will 12 refocus its resources and efforts on the reconstruction of an 13 effective, local-office-based eligibility determination system.

14 SECTION 8. If before implementing any provision of this Act 15 a state agency determines that a waiver or authorization from a 16 federal agency is necessary for implementation of that provision, 17 the agency affected by the provision shall request the waiver or 18 authorization and may delay implementing that provision until the 19 waiver or authorization is granted.

SECTION 9. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.