By: Naishtat H.B. No. 4552

Substitute the following for H.B. No. 4552:

By: Rose C.S.H.B. No. 4552

## A BILL TO BE ENTITLED

1	AN	ACT
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- 2 relating to certain Medicaid waiver programs.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 4 SECTION 1. Subchapter B, Chapter 32, Human Resources Code,
- 5 is amended by adding Section 32.0521 to read as follows:
- 6 Sec. 32.0521. HOSPITAL LEVEL OF CARE WAIVER PROGRAM FOR
- 7 MEDICALLY FRAGILE INDIVIDUALS. (a) The department shall apply for
- 8 <u>a waiver under Section 1915(c) of the federal Social Security Act</u>
- 9 (42 U.S.C. Section 1396n(c)) to provide the state with the
- 10 flexibility to provide medical assistance services outside the
- 11 scope, amount, or duration of nonwaiver services available to
- 12 medically fragile individuals who are at least 21 years of age and
- 13 who require a hospital level of care under the medical assistance
- 14 program.
- 15 (b) The waiver program under this section may include
- 16 coverage for case management services, adaptive aids and medical
- 17 supplies, nursing services, attendant services, in-home support
- 18 services, specialized therapies, respite services, adult foster
- 19 care, companion care, and consumer-directed service options.
- 20 <u>(c) A medically fragile individual is eligible for the</u>
- 21 waiver program under this section only if:
- 22 (1) the individual meets the medical and functional
- 23 criteria specified in the waiver;
- 24 (2) the projected cost of providing services to the

- 1 individual over a 12-month period exceeds the individual cost limit
- 2 specified in another medical assistance waiver program; and
- 3 (3) the individual would otherwise be eligible for
- 4 services funded by general revenue under Section 32.058(c) or
- 5 (c-1).
- 6 SECTION 2. The heading to Section 32.058, Human Resources
- 7 Code, is amended to read as follows:
- 8 Sec. 32.058. LIMITATION ON CERTAIN MEDICAL ASSISTANCE
- 9 WAIVER PROGRAMS [IN CERTAIN ALTERNATIVE COMMUNITY-BASED CARE
- 10 **SETTINGS**].
- 11 SECTION 3. Section 32.058, Human Resources Code, is amended
- 12 by amending Subsections (a), (b), (c), and (g) and adding
- 13 Subsections (c-1), (c-2), (c-3), and (c-4) to read as follows:
- 14 (a) In this section, "medical assistance waiver program"
- 15 means a program [administered by the Department of Aging and
- 16 Disability Services], other than the Texas home living program,
- 17 that provides services under a waiver granted in accordance with 42
- 18 U.S.C. Section 1396n(c).
- (b) Except as provided by Subsection (c) or (c-1),  $[\frac{(d)}{r}]$
- 20  $\frac{\text{(e), or (f),}}{\text{(f),}}$ ] the department may not provide services under a
- 21 medical assistance waiver program to a person if the projected cost
- 22 of providing those services over a 12-month period exceeds the
- 23 individual cost limit specified in the medical assistance waiver
- 24 program.
- 25 (c) Regardless of whether federal matching funds are
- 26 available for the medical assistance waiver program and
- 27 notwithstanding Section 32.024(e), the  $[\frac{The}{T}]$  department shall use

- 1 general revenue funds appropriated to the department to continue to
- 2 provide services [under a medical assistance waiver program] to a
- 3 person who was receiving medical assistance waiver program [those]
- 4 services on September 1, 2005, at a cost that exceeded the
- 5 individual cost limit specified in the medical assistance waiver
- 6 program [ , if continuation of those services:
- 7 [(1) is necessary for the person to live in the most
- 8 integrated setting appropriate to the needs of the person; and
- 9 [(2) does not affect the department's compliance with
- 10 the federal average per capita expenditure requirement of the
- 11 medical assistance waiver program under 42 U.S.C. Section
- 12  $\frac{1396n(c)(2)(D)}{1}$ ].
- 13 (c-1) Regardless of whether federal matching funds are
- 14 available for the medical assistance waiver program and
- 15 <u>notwithstanding Section 32.024(e)</u>, the department, in addition to
- 16 <u>services provided under Subsection (c), may use general revenue</u>
- 17 funds appropriated to the department to provide services under a
- 18 medical assistance waiver program to a person if:
- 19 (1) the projected cost of providing services to the
- 20 person over a 12-month period exceeds the individual cost limit
- 21 specified in the medical assistance waiver program;
- 22 (2) federal matching funds are not available to pay
- 23 for the services; and
- 24 (3) the department determines that:
- (A) the person's health and safety cannot be
- 26 protected by the services provided within the cost limit
- 27 established for the program;

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- 1 (B) there is no other available medical
- 2 assistance waiver program that can protect the person's health and
- 3 safety within the cost limit of that program; and
- 4 (C) there is no available living arrangement in
- 5 which the person's health and safety can be protected, as evidenced
- 6 by:
- 7 <u>(i) an assessment conducted by clinical</u>
- 8 staff of the Health and Human Services Commission or the Department
- 9 of Aging and Disability Services; and
- 10 (ii) supporting documentation, including
- 11 the person's medical and service records.
- 12 (c-2) The department may not expend any funds under
- 13 Subsection (c) or (c-1) if the expenditure would affect the
- 14 department's compliance with federal cost-effectiveness
- 15 requirements applicable to medical assistance waiver programs,
- 16 including 42 U.S.C. Section 1396n(c)(2)(D).
- 17 (c-3) The department shall employ utilization management
- 18 and utilization review practices as necessary to ensure that the
- 19 appropriate scope and level of services are provided to individuals
- 20 receiving medical assistance waiver program services and to ensure
- 21 compliance with federal cost-effectiveness requirements.
- 22 (c-4) This section does not establish an entitlement to
- 23 services or to funding for services from general revenue funds.
- 24 (g) The executive commissioner of the Health and Human
- 25 Services Commission may adopt rules to implement this section
- 26 [Subsections (d), (e), and (f)].
- 27 SECTION 4. Sections 32.058(d), (e), and (f), Human

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- 1 Resources Code, are repealed.
- 2 SECTION 5. This Act takes effect immediately if it receives
- 3 a vote of two-thirds of all the members elected to each house, as
- 4 provided by Section 39, Article III, Texas Constitution. If this
- 5 Act does not receive the vote necessary for immediate effect, this
- 6 Act takes effect September 1, 2009.