

## **BILL ANALYSIS**

S.B. 874  
By: Fraser  
Public Health  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Currently, when orthotic and prosthetic suppliers enroll as a provider under Medicaid, they are classified as a durable medical equipment supplier with a specialty of providing in-home hyperalimentation supplies. However, hyperalimentation suppliers provide supplies to individuals who require long-term nutritional support because of extensive bowel resection or severe abdominal bowel disease. This classification makes it difficult for patients to locate these specialized health care providers within the Medicaid provider directory when they need to obtain orthotic and prosthetic care.

S.B. 874 seeks to address this issue by requiring the Health and Human Services Commission to establish a separate provider type for prosthetic and orthotic providers for purposes of enrollment as a provider under Medicaid and by prohibiting prosthetic and orthotic providers from being classified under the durable medical equipment provider type.

### **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**

S.B. 874 amends the Human Resources Code to require the Health and Human Services Commission (HHSC), as soon as practicable after the bill's effective date, to establish a separate provider type for prosthetic and orthotic providers for purposes of enrollment as a provider of and reimbursement under Medicaid. The bill prohibits HHSC from classifying prosthetic and orthotic providers under the durable medical equipment provider type. The bill 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 the bill authorizes the agency to delay implementation until the federal waiver or authorization is obtained.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.