By: Zerwas

H.B. No. 2245

A BILL TO BE ENTITLED 1 AN ACT 2 relating to physician incentive programs to reduce hospital emergency room use for non-emergent conditions by Medicaid 3 recipients. 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 5 6 SECTION 1. Subchapter B, Chapter 531, Government Code, is 7 amended by adding Sections 531.086 and 531.0861 to read as follows: Sec. 531.086. STUDY REGARDING PHYSICIAN INCENTIVE PROGRAMS 8 9 TO REDUCE HOSPITAL EMERGENCY ROOM USE FOR NON-EMERGENT CONDITIONS. (a) The commission shall conduct a study to evaluate physician 10 incentive programs that attempt to reduce hospital emergency room 11 use for non-emergent conditions by recipients under the medical 12 assistance program. Each physician incentive program evaluated in 13 14 the study must: (1) be administered by a health maintenance 15 16 organization participating in the STAR or STAR + PLUS Medicaid 17 managed care program; and 18 (2) provide incentives to primary care providers who attempt to reduce emergency room use for non-emergent conditions by 19 20 recipients. 21 (b) The study conducted under Subsection (a) must evaluate: 22 (1) the cost-effectiveness of each component included 23 in a physician incentive program; and 24 (2) any change in statute required to implement each

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1 component within the Medicaid fee-for-service or primary care case 2 management model. 3 (c) Not later than August 31, 2012, the executive commissioner shall submit to the governor and the Legislative 4 Budget Board a report summarizing the findings of the study 5 required by this section. 6 7 (d) This section expires September 1, 2013. Sec. 531.0861. PHYSICIAN INCENTIVE PROGRAM TO REDUCE 8 HOSPITAL EMERGENCY ROOM USE FOR NON-EMERGENT CONDITIONS. (a) 9 The executive commissioner by rule shall establish a physician 10 incentive program designed to reduce the use of hospital emergency 11 12 room services for non-emergent conditions by recipients under the medical assistance program. 13 14 (b) In establishing the physician incentive program under 15 Subsection (a), the executive commissioner may include only the program components identified as cost-effective in the study 16 17 conducted under Section 531.086.

18 (c) If the physician incentive program includes the payment 19 of an enhanced reimbursement rate for routine after-hours 20 appointments, the executive commissioner shall implement controls 21 to ensure that the after-hours services billed are actually being 22 provided outside of normal business hours.

23 SECTION 2. If before implementing any provision of this Act 24 a state agency determines that a waiver or authorization from a 25 federal agency is necessary for the implementation of that 26 provision, the agency affected by the provision shall request the 27 waiver or authorization and may delay implementing that provision

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1 until the waiver or authorization is granted.

2 SECTION 3. This Act takes effect September 1, 2011.