

1-1 By: Zerwas, et al. (Senate Sponsor - Nelson) H.B. No. 2245  
1-2 (In the Senate - Received from the House April 27, 2011;  
1-3 May 3, 2011, read first time and referred to Committee on Health  
1-4 and Human Services; May 11, 2011, reported favorably by the  
1-5 following vote: Yeas 8, Nays 0; May 11, 2011, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to physician incentive programs to reduce hospital  
1-9 emergency room use for non-emergent conditions by Medicaid  
1-10 recipients.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Subchapter B, Chapter 531, Government Code, is  
1-13 amended by adding Sections 531.086 and 531.0861 to read as follows:

1-14 Sec. 531.086. STUDY REGARDING PHYSICIAN INCENTIVE PROGRAMS  
1-15 TO REDUCE HOSPITAL EMERGENCY ROOM USE FOR NON-EMERGENT CONDITIONS.

1-16 (a) The commission shall conduct a study to evaluate physician  
1-17 incentive programs that attempt to reduce hospital emergency room  
1-18 use for non-emergent conditions by recipients under the medical  
1-19 assistance program. Each physician incentive program evaluated in  
1-20 the study must:

1-21 (1) be administered by a health maintenance  
1-22 organization participating in the STAR or STAR + PLUS Medicaid  
1-23 managed care program; and

1-24 (2) provide incentives to primary care providers who  
1-25 attempt to reduce emergency room use for non-emergent conditions by  
1-26 recipients.

1-27 (b) The study conducted under Subsection (a) must evaluate:

1-28 (1) the cost-effectiveness of each component included  
1-29 in a physician incentive program; and

1-30 (2) any change in statute required to implement each  
1-31 component within the Medicaid fee-for-service or primary care case  
1-32 management model.

1-33 (c) Not later than August 31, 2012, the executive  
1-34 commissioner shall submit to the governor and the Legislative  
1-35 Budget Board a report summarizing the findings of the study  
1-36 required by this section.

1-37 (d) This section expires September 1, 2013.

1-38 Sec. 531.0861. PHYSICIAN INCENTIVE PROGRAM TO REDUCE  
1-39 HOSPITAL EMERGENCY ROOM USE FOR NON-EMERGENT CONDITIONS. (a) The  
1-40 executive commissioner by rule shall establish a physician  
1-41 incentive program designed to reduce the use of hospital emergency  
1-42 room services for non-emergent conditions by recipients under the  
1-43 medical assistance program.

1-44 (b) In establishing the physician incentive program under  
1-45 Subsection (a), the executive commissioner may include only the  
1-46 program components identified as cost-effective in the study  
1-47 conducted under Section 531.086.

1-48 (c) If the physician incentive program includes the payment  
1-49 of an enhanced reimbursement rate for routine after-hours  
1-50 appointments, the executive commissioner shall implement controls  
1-51 to ensure that the after-hours services billed are actually being  
1-52 provided outside of normal business hours.

1-53 SECTION 2. If before implementing any provision of this Act  
1-54 a state agency determines that a waiver or authorization from a  
1-55 federal agency is necessary for the implementation of that  
1-56 provision, the agency affected by the provision shall request the  
1-57 waiver or authorization and may delay implementing that provision  
1-58 until the waiver or authorization is granted.

1-59 SECTION 3. This Act takes effect September 1, 2011.

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