

By: Zerwas

H.B. No. 3666

A BILL TO BE ENTITLED

AN ACT

1
2 relating to state fiscal matters related to health and human
3 services and state agencies administering health and human services
4 programs.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 ARTICLE 1. REDUCTION OF EXPENDITURES AND IMPOSITION OF CHARGES AND
7 COST-SAVING MEASURES GENERALLY

8 SECTION 1.01. This article applies to any state agency that
9 receives an appropriation under Article II of the General
10 Appropriations Act and to any program administered by any of those
11 agencies.

12 SECTION 1.02. Notwithstanding any other statute of this
13 state, each state agency to which this article applies is
14 authorized to reduce or recover expenditures by:

15 (1) consolidating any reports or publications the
16 agency is required to make and filing or delivering any of those
17 reports or publications exclusively by electronic means;

18 (2) extending the effective period of any license,
19 permit, or registration the agency grants or administers;

20 (3) entering into a contract with another governmental
21 entity or with a private vendor to carry out any of the agency's
22 duties;

23 (4) adopting additional eligibility requirements
24 consistent with federal law for persons who receive benefits under

1 any law the agency administers to ensure that those benefits are
2 received by the most deserving persons consistent with the purposes
3 for which the benefits are provided, including under the following
4 laws:

5 (A) Chapter 62, Health and Safety Code (child
6 health plan program);

7 (B) Chapter 31, Human Resources Code (temporary
8 assistance for needy families program);

9 (C) Chapter 32, Human Resources Code (Medicaid
10 program);

11 (D) Chapter 33, Human Resources Code
12 (supplemental nutrition assistance and other nutritional
13 assistance programs); and

14 (E) Chapter 533, Government Code (Medicaid
15 managed care);

16 (5) providing that any communication between the
17 agency and another person and any document required to be delivered
18 to or by the agency, including any application, notice, billing
19 statement, receipt, or certificate, may be made or delivered by
20 e-mail or through the Internet;

21 (6) adopting and collecting fees or charges to cover
22 any costs the agency incurs in performing its lawful functions; and

23 (7) modifying and streamlining processes used in:

24 (A) the conduct of eligibility determinations
25 for programs listed in Subdivision (4) of this subsection by or
26 under the direction of the Health and Human Services Commission;

27 (B) the provision of child and adult protective

1 services by the Department of Family and Protective Services;

2 (C) the provision of services for the aging and
3 disabled by the Department of Aging and Disability Services;

4 (D) the provision of services to children and
5 other persons with disabilities by the Department of Assistive and
6 Rehabilitative Services;

7 (E) the provision of community health services,
8 consumer protection services, mental health services, and hospital
9 facilities and services by the Department of State Health Services;
10 and

11 (F) the provision or administration of other
12 services provided or programs operated by the Health and Human
13 Services Commission or a health and human services agency, as
14 defined by Section 531.001, Government Code.

15 ARTICLE 2. HEALTH AND HUMAN SERVICES BENEFITS IN GENERAL

16 SECTION 2.01. Subchapter B, Chapter 531, Government Code,
17 is amended by adding Section 531.0998 to read as follows:

18 Sec. 531.0998. MEMORANDUM OF UNDERSTANDING REGARDING
19 PUBLIC ASSISTANCE REPORTING INFORMATION SYSTEM. (a) In this
20 section, "system" means the Public Assistance Reporting
21 Information System (PARIS) operated by the Administration for
22 Children and Families of the United States Department of Health and
23 Human Services.

24 (b) The commission, the Department of Aging and Disability
25 Services, the Texas Veterans Commission, and the Veterans' Land
26 Board shall enter into a memorandum of understanding for the
27 purposes of:

1 repealed.

2 SECTION 3.02. On the effective date of this Act, the Health
3 and Human Services Commission and each health and human services
4 agency, as defined by Section 531.001, Government Code, shall
5 discontinue using electronic fingerprint-imaging or photo-imaging
6 of applicants for and recipients of financial assistance under
7 Chapter 31, Human Resources Code, or food stamp benefits under
8 Chapter 33, Human Resources Code.

9 ARTICLE 4. MEDICAID PROGRAM

10 SECTION 4.01. (a) Section 531.001, Government Code, is
11 amended by adding Subdivision (7) to read as follows:

12 (7) "Telemonitoring" means the use of
13 telecommunications and information technology to provide access to
14 health assessment, intervention, consultation, supervision, and
15 information across distance. Telemonitoring includes the use of
16 technologies such as telephones, facsimile machines, e-mail
17 systems, text messaging systems, and remote patient monitoring
18 devices to collect and transmit patient data for monitoring and
19 interpretation.

20 (b) Subchapter B, Chapter 531, Government Code, is amended
21 by adding Sections 531.02176, 531.02177, and 531.02178 to read as
22 follows:

23 Sec. 531.02176. MEDICAID TELEMONITORING PILOT PROGRAMS FOR
24 DIABETES. (a) The commission shall determine whether the Medicaid
25 Enhanced Care program's diabetes self-management training
26 telemonitoring pilot program was cost neutral.

27 (b) In determining whether the pilot program described by

1 Subsection (a) was cost neutral, the commission shall, at a
2 minimum, compare:

3 (1) the health care costs of program participants who
4 received telemonitoring services with the health care costs of a
5 group of Medicaid recipients who did not receive telemonitoring
6 services;

7 (2) the health care services used by program
8 participants who received telemonitoring services with the health
9 care services used by a group of Medicaid recipients who did not
10 receive telemonitoring services;

11 (3) for program participants who received
12 telemonitoring services, the amount spent on health care services
13 before, during, and after the receipt of telemonitoring services;
14 and

15 (4) for program participants who received
16 telemonitoring services, the health care services used before,
17 during, and after the receipt of telemonitoring services.

18 (c) If the commission determines that the pilot program
19 described by Subsection (a) was cost neutral, the executive
20 commissioner shall adopt rules for providing telemonitoring
21 services through the Medicaid Texas Health Management Program for
22 select diabetes patients in a manner comparable to that program.

23 (d) If the commission determines that the pilot program
24 described by Subsection (a) was not cost neutral, the commission
25 shall develop and implement within the Medicaid Texas Health
26 Management Program for select diabetes patients a new diabetes
27 telemonitoring pilot program based on evidence-based best

1 practices, provided that the commission determines implementing
2 the new diabetes telemonitoring pilot program would be cost
3 neutral.

4 (e) In determining whether implementing a new diabetes
5 telemonitoring pilot program under Subsection (d) would be cost
6 neutral, the commission shall consider appropriate factors,
7 including the following:

8 (1) the target population, participant eligibility
9 criteria, and the number of participants to whom telemonitoring
10 services would be provided;

11 (2) the type of telemonitoring technology to be used;

12 (3) the estimated cost of the telemonitoring services
13 to be provided;

14 (4) the estimated cost differential to the state based
15 on changes in participants' use of emergency department services,
16 outpatient services, pharmaceutical and ancillary services, and
17 inpatient services other than inpatient labor and delivery
18 services; and

19 (5) other indirect costs that may result from the
20 provision of telemonitoring services.

21 Sec. 531.02177. MEDICAID TELEMONITORING PILOT PROGRAM FOR
22 CERTAIN CONDITIONS. (a) The commission shall develop and
23 implement a pilot program within the Medicaid Texas Health
24 Management Program to evaluate the cost neutrality of providing
25 telemonitoring services to persons who are diagnosed with health
26 conditions other than diabetes, if the commission determines
27 implementing the pilot program would be cost neutral.

1 (b) In determining whether implementing a pilot program
2 under Subsection (a) would be cost neutral, the commission shall
3 consider appropriate factors, including the following:

4 (1) the types of health conditions that could be
5 assessed through the program by reviewing existing research and
6 other evidence on the effectiveness of providing telemonitoring
7 services to persons with those conditions;

8 (2) the target population, participant eligibility
9 criteria, and the number of participants to whom telemonitoring
10 services would be provided;

11 (3) the type of telemonitoring technology to be used;

12 (4) the estimated cost of the telemonitoring services
13 to be provided;

14 (5) the estimated cost differential to the state based
15 on changes in participants' use of emergency department services,
16 outpatient services, pharmaceutical and ancillary services, and
17 inpatient services other than inpatient labor and delivery
18 services; and

19 (6) other indirect costs that may result from the
20 provision of telemonitoring services.

21 Sec. 531.02178. DISSEMINATION OF INFORMATION ABOUT
22 EFFECTIVE TELEMONITORING STRATEGIES. The commission shall
23 annually:

24 (1) identify telemonitoring strategies implemented
25 within the Medicaid program that have demonstrated cost neutrality
26 or resulted in improved performance on key health measures; and

27 (2) disseminate information about the identified

1 strategies to encourage the adoption of effective telemonitoring
2 strategies.

3 (c) Not later than January 1, 2012, the executive
4 commissioner of the Health and Human Services Commission shall
5 adopt the rules required by Section 531.02176(c), Government Code,
6 as added by this section, if the commission determines that the
7 Medicaid Enhanced Care program's diabetes self-management training
8 telemonitoring pilot program was cost neutral.

9 (d) Not later than September 1, 2012, the Health and Human
10 Services Commission shall determine whether implementing a new
11 diabetes telemonitoring pilot program would be cost neutral if
12 required by Section 531.02176(d), Government Code, as added by this
13 section, and report that determination to the governor and the
14 Legislative Budget Board.

15 (e) Not later than September 1, 2012, the Health and Human
16 Services Commission shall determine whether implementing a
17 telemonitoring pilot program for health conditions other than
18 diabetes would be cost neutral as required by Section 531.02177(a),
19 Government Code, as added by this section, and report that
20 determination to the governor and the Legislative Budget Board.

21 SECTION 4.02. Subchapter B, Chapter 531, Government Code,
22 is amended by adding Sections 531.02417 and 531.024171 to read as
23 follows:

24 Sec. 531.02417. MEDICAID NURSING SERVICES ASSESSMENTS. (a)
25 In this section, "acute nursing services" means home health skilled
26 nursing services, home health aide services, and private duty
27 nursing services.

1 (b) The commission shall develop an objective assessment
2 process for use in assessing the needs of a Medicaid recipient for
3 acute nursing services. The commission shall require that:

4 (1) the assessment be conducted by a state employee or
5 contractor who is not the person who will deliver any necessary
6 services to the recipient and is not affiliated with the person who
7 will deliver those services; and

8 (2) the process include:

9 (A) an assessment of specified criteria and
10 documentation of the assessment results on a standard form; and

11 (B) completion by the person conducting the
12 assessment of any documents related to obtaining prior
13 authorization for necessary nursing services.

14 (c) The commission shall:

15 (1) implement the objective assessment process
16 developed under Subsection (b) within the Medicaid fee-for-service
17 model and the primary care case management Medicaid managed care
18 model; and

19 (2) take necessary actions, including modifying
20 contracts with managed care organizations under Chapter 533 to the
21 extent allowed by law, to implement the process within the STAR and
22 STAR+PLUS Medicaid managed care programs.

23 Sec. 531.024171. THERAPY SERVICES ASSESSMENTS. (a) In
24 this section, "therapy services" includes occupational, physical,
25 and speech therapy services.

26 (b) After implementing the objective assessment process for
27 acute nursing services as required by Section 531.02417, the

1 commission shall consider whether implementing a comparable
2 process with respect to assessing the needs of a Medicaid recipient
3 for therapy services would be feasible and beneficial.

4 (c) If the commission determines that implementing a
5 comparable process with respect to one or more types of therapy
6 services is feasible and would be beneficial, the commission may
7 implement the process within:

8 (1) the Medicaid fee-for-service model;

9 (2) the primary care case management Medicaid managed
10 care model; and

11 (3) the STAR and STAR+PLUS Medicaid managed care
12 programs.

13 SECTION 4.03. Subchapter B, Chapter 531, Government Code,
14 is amended by adding Sections 531.086 and 531.0861 to read as
15 follows:

16 Sec. 531.086. STUDY REGARDING PHYSICIAN INCENTIVE PROGRAMS
17 TO REDUCE HOSPITAL EMERGENCY ROOM USE FOR NON-EMERGENT CONDITIONS.

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

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

26 (2) provide incentives to primary care providers who
27 attempt to reduce emergency room use for non-emergent conditions by

1 recipients.

2 (b) The study conducted under Subsection (a) must evaluate:

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

5 (2) any change in statute required to implement each
6 component within the Medicaid fee-for-service or primary care case
7 management model.

8 (c) Not later than August 31, 2012, the executive
9 commissioner shall submit to the governor and the Legislative
10 Budget Board a report summarizing the findings of the study
11 required by this section.

12 (d) This section expires September 1, 2013.

13 Sec. 531.0861. PHYSICIAN INCENTIVE PROGRAM TO REDUCE
14 HOSPITAL EMERGENCY ROOM USE FOR NON-EMERGENT CONDITIONS. (a) The
15 executive commissioner by rule shall establish a physician
16 incentive program designed to reduce the use of hospital emergency
17 room services for non-emergent conditions by recipients under the
18 medical assistance program.

19 (b) In establishing the physician incentive program under
20 Subsection (a), the executive commissioner may include only the
21 program components identified as cost-effective in the study
22 conducted under Section 531.086.

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

1 ARTICLE 5. FEDERAL AUTHORIZATION; EFFECTIVE DATE

2 SECTION 5.01. If before implementing any provision of this
3 Act a state agency determines that a waiver or authorization from a
4 federal agency is necessary for implementation of that provision,
5 the agency affected by the provision shall request the waiver or
6 authorization and may delay implementing that provision until the
7 waiver or authorization is granted.

8 SECTION 5.02. This Act takes effect September 1, 2011.