

By: Nelson

S.B. No. 23

A BILL TO BE ENTITLED

AN ACT

1
2 relating to efficiencies and cost-savings in the health and human
3 services and other related regulatory agencies, including the state
4 medical assistance and child health plan programs.

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

6 SECTION 1. Notwithstanding any statute to the contrary, the
7 legislature, in its discretion, may determine the amount of each
8 appropriation of state funds. The amounts required by statute for
9 entities that receive state funds under the General Appropriations
10 Act, 82nd Legislature, Regular Session, 2011, may be reduced or
11 eliminated in order to achieve a balanced budget.

12 SECTION 2. The Health and Human Services Commission and
13 other agencies responsible for administration of the state medical
14 assistance and child health plan programs shall identify
15 efficiencies and reduce expenditures in these programs by:

16 (1) Leveraging all options for program flexibility and
17 funding, including working with other states and the federal
18 Department of Health and Human Services, to increase program
19 efficiency, accountability, and sustainability;

20 (2) Implementing payment reform and quality based
21 payments in fee for service and managed care;

22 (3) Increasing neonatal intensive care management;

23 (4) Aligning hospital rates in managed care closer to
24 fee for service rates;

- 1 (5) Renegotiating more efficient contracts;
- 2 (6) Developing more appropriate emergency department
3 hospital rates for nonemergency related visits;
- 4 (7) Maximizing client cost-sharing, including
5 co-payments;
- 6 (8) Maximizing federal matching funds through a
7 statewide transportation broker or a federal waiver;
- 8 (9) Pursuing a federal waiver that would allow the
9 state to share in savings realized to the Medicare program that
10 result from state improvements in quality and efficiency for
11 clients enrolled in both the state medical assistance program and
12 Medicare;
- 13 (10) Reducing costs for durable medical equipment and
14 laboratory services through rate reductions, utilization
15 management, and consolidation;
- 16 (11) Optimizing federal matching funds for all state
17 and local funding streams, including Trauma Funds;
- 18 (12) Increasing utilization management and review;
- 19 (13) Evaluating the consolidation of existing state
20 health plans for children's health;
- 21 (14) Reviewing the implications of continuing or
22 eliminating certain optional services;
- 23 (15) Modifying inpatient and outpatient hospital
24 reimbursements;
- 25 (16) Promoting and expanding the use of telemedicine,
26 telemonitoring, and other technologies;
- 27 (17) Increasing client access to preventive primary

1 care;

2 (18) Implementing an objective client assessment
3 process;

4 (19) Maximizing efficiencies and cost-savings through
5 the managed care model;

6 (20) Ensuring that clients are being served in the
7 most cost-effective Section 1915(c) waiver program appropriate for
8 their needs;

9 (21) Streamlining the administration and delivery of
10 services through Section 1915(c) waiver programs;

11 (22) Requiring clients of Section 1915(c) waiver
12 programs to access attendant services through community based
13 entitlement programs as appropriate;

14 (23) Requesting any waiver or authorization from a
15 federal agency determined to be necessary for implementation of any
16 initiative aimed at improving efficiency and reducing
17 expenditures; and

18 (24) Implementing additional initiatives identified
19 by the Health and Human Services Commission and other agencies
20 responsible for administration of the state medical assistance and
21 child health plan programs.

22 SECTION 3. Section 533.0025(e), Government Code, is
23 repealed.

24 SECTION 4. This Act takes effect immediately if it receives
25 a vote of two-thirds of all the members elected to each house, as
26 provided by Section 39, Article III, Texas Constitution. If this
27 Act does not receive the vote necessary for immediate effect, this

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1 Act takes effect September 1, 2011.