Amend CSSB 7 (house committee report) as follows:

(1) On page 30, line 23, strike "Subsection (a)" and substitute "Subsections (a) and (b)".

(2) Between page 30, line 27, and page 31, line 1, insert the following:

(b) Except as otherwise provided by this section and notwithstanding any other law, the commission shall provide medical assistance for acute care <u>services</u> through the most cost-effective model of Medicaid <u>capitated</u> managed care as determined by the commission. <u>The</u> [<u>If the</u>] commission <u>shall require mandatory</u> <u>participation in a Medicaid capitated managed care program for all</u> <u>persons eligible for acute care</u> [<u>determines that it is more</u> <u>cost-effective, the commission may provide</u>] medical assistance <u>benefits, but may implement alternative models or arrangements,</u> <u>including a traditional fee-for-service arrangement, if the</u> <u>commission determines the alternative would be more cost-effective</u> <u>or efficient</u> [for acute care in a certain part of this state or to a certain population of recipients using.

[(1) a health maintenance organization model, including the acute care portion of Medicaid Star + Plus pilot programs;

[(2) a primary care case management model;

[(3) a prepaid health plan model;

[(4) an exclusive provider organization model; or

[(5) another Medicaid managed care model or arrangement].

(3) Add the following appropriately numbered SECTION to ARTICLE 2 of the bill and renumber subsequent SECTIONS of the ARTICLE appropriately:

SECTION 2.____. Section 32.0212, Human Resources Code, is amended to read as follows:

Sec. 32.0212. DELIVERY OF MEDICAL ASSISTANCE. Notwithstanding any other law and subject to Section 533.0025, Government Code, the department shall provide medical assistance for acute care <u>services</u> through the Medicaid managed care system implemented under Chapter 533, Government Code<u>, or another Medicaid</u> capitated managed care program.