

BILL ANALYSIS

S.B. 1542
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Human Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Rapid scientific and technological advances are being made within the practice of health care that affect the care and treatment of numerous conditions and ailments. Interested parties assert that advances in the treatments of preventable and chronic conditions, such as sepsis or septicemia, are developing at such a rapid pace that it is becoming increasingly difficult for the state to track, monitor, and incorporate those new treatments into the Medicaid program. As a result, the parties contend, it can become more difficult to control the growing costs of health care services and to ensure that the highest-quality level of care is promoted, practiced, and monitored within the program. S.B. 1542 seeks to address this issue by establishing a Medicaid quality improvement process within the Health and Human Services Commission to review clinical initiatives designed to improve the quality of care provided under and cost-effectiveness of the Medicaid program.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 1 of this bill.

ANALYSIS

S.B. 1542 amends the Government Code to require the Health and Human Services Commission (HHSC) to develop and implement a quality improvement process by which HHSC receives suggestions for clinical initiatives designed to improve the quality of care provided under the Medicaid program and the cost-effectiveness of the Medicaid program, conducts a preliminary review of each suggestion to determine whether the suggestion warrants further consideration and analysis, and conducts an analysis of clinical initiative suggestions that are selected for such analysis and of required clinical initiatives. The bill requires HHSC to solicit and accept suggestions for clinical initiatives, in either written or electronic form, from specified state officials and entities and prohibits HHSC from accepting suggestions for an initiative that is undergoing clinical trials or that expands a health care provider's scope of practice beyond the law governing the provider's practice.

S.B. 1542 adds temporary provisions, set to expire August 31, 2014, requiring HHSC, in addition to other clinical initiatives selected for analysis under the bill's provisions, to conduct an analysis and issue a final report for an initiative that would require hospitals to implement evidence-based protocols, including early goal-directed therapy, in the treatment of severe sepsis and septicemia and an initiative that would authorize the Medicaid program to provide blood-based allergy testing for patients with persistent asthma to develop an appropriate treatment strategy that would minimize exposure to allergy-induced asthma attacks. The bill requires HHSC to conduct an analysis and submit a final report on these clinical initiatives not later than January 1, 2014.

S.B. 1542 requires HHSC to establish and implement an evaluation process for the submission, preliminary review, analysis, and approval of a clinical initiative. The bill sets out specific

requirements for the evaluation process, including a requirement authorizing HHSC to conduct with the assistance of appropriate advisory committees or similar groups as determined by HHSC a preliminary review of each suggested clinical initiative to determine whether the initiative warrants further consideration and analysis. The bill requires HHSC to conduct an analysis of each clinical initiative selected by HHSC after having conducted the commission's preliminary review and requires the analysis to include a review of certain public comments, clinical research, and medical literature relating to the initiative; the adoption of the initiative by medical societies or other clinical groups; whether the initiative has been implemented under the Medicare program, another state Medicaid program, or a state-operated health care program; the results of reports, research, pilot programs, or clinical studies relating to the initiative conducted by certain entities; the impact the initiative would have on a Medicaid program if implemented in Texas; and any statutory barriers to implementation of the initiative.

S.B. 1542 requires HHSC to prepare a final report based on HHSC's analysis of a clinical initiative and requires the report to include a final determination of the feasibility of implementing the initiative, the likely impact implementing the initiative would have on the quality of care provided under the Medicaid program, and the anticipated cost savings to the state that would result from implementing the initiative; a summary of the public comments, including a description of any opposition to the initiative; an identification of any statutory barriers to implementation of the initiative; and, if the initiative is not implemented, an explanation of the decision not to implement the initiative.

S.B. 1542 requires HHSC to maintain an Internet website related to the quality improvement process that includes an explanation of the process for submission, preliminary review, analysis, and approval of clinical initiatives, an explanation of how members of the public may submit comments or research related to an initiative, a copy of each initiative selected for analysis, the status of each initiative in the approval process, and a copy of each final report.

S.B. 1542 authorizes HHSC, after conducting an analysis of a clinical initiative and if HHSC has determined the initiative is cost-effective and will improve the quality of care under the Medicaid program, to implement the initiative if not otherwise prohibited by law. The bill authorizes HHSC, if implementation requires a change in law, to submit a copy of the final report together with recommendations relating to the initiative's implementation to the standing committees of the senate and house of representatives having jurisdiction over the Medicaid program. The bill prohibits HHSC from implementing an initiative HHSC has determined is not cost-effective or will not improve the quality of care under the Medicaid program.

S.B. 1542 specifies that its provisions do not affect or give HHSC additional authority to affect any individual health care treatment decision for a Medicaid recipient, replace or affect the process of determining Medicaid benefits, including the approval process for receiving benefits for durable medical equipment, or any applicable approval process required for reimbursement for services or other equipment under the Medicaid program; implement a clinical initiative or associated rule or program policy that is otherwise prohibited under state or federal law; or implement any initiative that would expand eligibility for benefits under the Medicaid program. The bill requires the executive commissioner of HHSC to adopt rules necessary to implement the bill's provisions.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.