

By: Zerwas, Rose

H.B. No. 3158

Substitute the following for H.B. No. 3158:

By: Raymond

C.S.H.B. No. 3158

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to Medicaid managed care pilot programs for contracts with  
3 provider-directed managed care organizations, including  
4 organizations that delegate to health care collaboratives, and to  
5 the establishment of those collaboratives.

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

7 SECTION 1. Subchapter A, Chapter 533, Government Code, is  
8 amended by adding Section 533.0045 to read as follows:

9 Sec. 533.0045. PILOT PROGRAMS FOR CONTRACTS WITH  
10 PROVIDER-DIRECTED MANAGED CARE ORGANIZATIONS. (a) In this section:

11 (1) "Delegation agreement" has the meaning assigned by  
12 Section 1272.001, Insurance Code.

13 (2) "Health care collaborative" has the meaning  
14 assigned by Section 848.001, Insurance Code, and includes an entity  
15 described by Section 316.001, Health and Safety Code.

16 (3) "Medical assistance" has the meaning assigned by  
17 Section 32.003, Human Resources Code.

18 (b) If cost-effective and feasible, the commission shall  
19 develop and implement pilot programs under which the commission  
20 contracts with provider-directed managed care organizations for  
21 purposes of:

22 (1) promoting the efficient utilization of medical  
23 assistance services by recipients; and

24 (2) determining the ability of the organizations to

1 improve patient outcomes and contain costs associated with  
2 providing medical assistance to recipients within each  
3 organization's service delivery area.

4 (c) The commission may develop and implement pilot programs  
5 under this section to test one or more service delivery models  
6 designed to provide medical assistance for acute care through a  
7 health maintenance organization that executes a delegation  
8 agreement with a health care collaborative, provided that:

9 (1) the delegation agreement between the health care  
10 collaborative and the health maintenance organization is subject to  
11 the requirements of Chapter 1272, Insurance Code, and other  
12 applicable state and federal law; and

13 (2) at least one of the pilot programs established as  
14 provided by this subsection is conducted with a provider-managed  
15 health maintenance organization that is owned by a not-for-profit  
16 pediatric facility.

17 (d) If the commission implements pilot programs under this  
18 section, the commission shall:

19 (1) implement those programs not later than September  
20 1, 2015;

21 (2) operate each program for at least 36 months and be  
22 permitted to extend the period if the commission determines an  
23 extension is appropriate; and

24 (3) establish each program only in a service delivery  
25 area that:

26 (A) has more than 400,000 individuals who, in the  
27 aggregate, are eligible for benefits under the STAR + PLUS Medicaid

1 managed care program or the child health plan program;

2 (B) is served by three or fewer managed care  
3 organizations; and

4 (C) is served by a managed care organization that  
5 provides services to more than 40 percent of recipients in the  
6 service delivery area under the STAR + PLUS Medicaid managed  
7 program or enrollees in the service delivery area under the child  
8 health plan program.

9 (e) On the conclusion of a pilot program, the commission:

10 (1) shall evaluate the strengths and weaknesses of the  
11 program and determine, based on the commission's evaluation, the  
12 feasibility of expanding the program or implementing elements of  
13 the program statewide; and

14 (2) if the commission determines it feasible and  
15 likely to result in the effective provision of medical assistance  
16 to recipients statewide, shall, not later than December 31, 2018,  
17 submit a report to the governor and the legislature that makes  
18 recommendations regarding improved policies and procedures with  
19 statewide applicability.

20 (f) This section expires September 1, 2019.

21 SECTION 2. Section 316.001, Health and Safety Code, is  
22 amended to read as follows:

23 Sec. 316.001. AUTHORITY TO ESTABLISH HEALTH CARE  
24 COLLABORATIVE. A public hospital created under Subtitle C or D, a  
25 facility that is owned or operated by a public or not-for-profit  
26 hospital and that includes an academic health center, or a hospital  
27 district created under general or special law may form and sponsor a

1 nonprofit health care collaborative that is certified under Chapter  
2 848, Insurance Code, or is otherwise exempt from obtaining a  
3 certificate of authority or determination of approval under Section  
4 848.002, Insurance Code.

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

11 SECTION 4. This Act takes effect September 1, 2013.