

Amend **CSHB 1** (house committee printing) in Article II of the bill immediately following the appropriations to the Health and Human Services Commission (page II-73) by adding the following appropriately numbered rider and renumbering subsequent riders accordingly:

\_\_\_\_\_. Contingency for Medicaid Waiver Expiration. In the event the Health and Human Services Commission does not obtain an extension or renewal of the uncompensated care pool provisions of the Texas Health Care Transformation and Quality Improvement Program Waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315), it is the intent of the legislature that the Health and Human Services Commission shall develop a transition plan to distribute funds allocated above or otherwise make payments using funds allocated above to offset the costs of uncompensated care with the goals of: (1) carving out hospital payments from Medicaid capitation rates paid to Medicaid managed care organizations, (2) reimbursing hospital inpatient and outpatient rates under existing Medicaid fee-for-service schedules and rates, and (3) making appropriate modifications to other hospital payments provided under the Texas Health Care Transformation and Quality Improvement Program Waiver. It is the intent of the legislature that the Health and Human Services Commission report the transition plan to the governor and the Legislative Budget Board and adopt rules necessary for implementing the transition plan, implementing the hospital carve out described above, restoring federal supplemental payments to hospitals, and maintaining the pay-for-performance and quality incentives of the current managed care delivery system.