

## **BILL ANALYSIS**

Senate Research Center  
84R29244 JSL-D

C.S.H.B. 2578  
By: Price; Faircloth (Nelson)  
Health & Human Services  
5/18/2015  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Current law requires the Health and Human Services Commission (HHSC) to plan and implement an efficient and effective centralized system of administrative support services for five health and human services agencies: HHSC, Department of Aging and Disability Services (DADS), Department of Assistive and Rehabilitative Services (DARS), Department of Family and Protective Services (DFPS), and Department of State Health Services (DSHS). Current law also provides that the performance of administrative support services for the health and human services agencies is the responsibility of HHSC. The term "administrative support services" includes, but is not limited to, strategic planning and evaluation, audit, legal, human resources, information resources, purchasing, contract management, financial management, and accounting services. Aspects of this centralized system of administrative support services for the health and human services agencies have not been fully implemented by HHSC due in part to existing conflicts in law.

H.B. 2578 seeks to remove the conflicts in law relating to internal audit and information resource managers to ensure that implementation of a centralized system of administrative support services can be achieved by HHSC.

C.S.H.B. 2578 adds provisions of S.B. 200 related to consolidation as it passed out of the Senate, including related floor amendments. Building on the sunset reviews of the five health and human services agencies, the reorganization consolidates administrative services as directed by current law, and further promotes accountability, reduces fragmentation, and streamlines operations across the system. The bill reorganizes the operations of the health and human services system to be structured along functional lines. Specifically, C.S.H.B. 2578:

- Abolishes DARS and transfers functions to HHSC on September 1, 2016.
- Abolishes DADS and transfers functions to HHSC on September 1, 2017.
- Consolidates client services from across the system at HHSC on September 1, 2016.
- Consolidates prevention programs at DFPS on September 1, 2016.
- Transfers state hospital oversight from DSHS and state supported living center oversight from DADS to HHSC on September 1, 2017.
- Merges regulatory functions from DSHS, DFPS, and DADS under HHSC on September 1, 2017.
- Requires evaluation and consideration of all administrative functions that are feasible and desirable to consolidate by September 1, 2017, with consolidation of administrative functions that are practicable by September 1, 2016.
- Establishes HHSC divisions in statute for: Medical and Social Services, Regulatory, Facilities, Administration, and Office of Inspector General, effective September 1, 2016.
- Abolishes the DFPS, DSHS, DADS and DARS Councils and creates the HHSC Executive Council effective September 1, 2016.
- Establishes the Transition Legislative Oversight Committee to facilitate the transfer of functions during the reorganization.
- Requires the executive commissioner to develop a transition plan, due March 1, 2016, to the Transition Legislative Oversight Committee.
- Directs the executive commissioner and the Transition Legislative Oversight Committee to study in 2018 and report to the 86th Legislature in 2019 whether DSHS and DFPS should continue independently or be merged into HHSC.
- Establishes a Policy and Performance Office to coordinate policy and performance efforts and serve as a "think tank" for system improvements.

- Transfers the functions of the Texas Office for the Prevention of Developmental Disabilities to HHSC effective September 1, 2017, and the functions of the Autism Council to HHSC, effective September 1, 2016.
- Removes statutory barriers to system-wide oversight of IT and audit functions.
- Consolidates and requires coordination of websites, hotlines, and call centers and the Ombudsman office.

C.S.H.B. 2578 amends current law relating to the efficiency and consolidation of powers and duties within the health and human services system.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the executive commissioner of the Health and Human Services Commission is modified in SECTION 1.05 (Section 551.0055, Government Code) of this bill.

Rulemaking authority previously granted to the executive commissioner of the Health and Human Services Commission is rescinded in SECTION 1.23 (Sections 117.028, 117.052, 161.028, and 161.052, Human Resources Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

#### ARTICLE I. CONSOLIDATION OF HEALTH AND HUMAN SERVICES SYSTEM

SECTION 1.01 (a) Amends Chapter 531, Government Code, by adding Subchapter A-1, as follows:

#### SUBCHAPTER A-1. CONSOLIDATION OF HEALTH AND HUMAN SERVICES SYSTEM

Sec. 531.02001. CONSOLIDATION OF HEALTH AND HUMAN SERVICES SYSTEM GENERALLY. Provides that in accordance with this subchapter, the functions of the health and human services system described under Sections 531.0201, 531.02011, and 531.02012 are consolidated through a phased transfer of those functions under which:

(1) the initial transfers required under Section 531.0201 occur:

(A) on or after the date on which the executive commissioner submits the transition plan to the requires persons under Section 531.0204(e);

(B) not later than September 1, 2016;

(2) the final transfers required under Section 531.02011 occur:

(A) on or after September 1, 2016; and

(B) not later than September 1, 2017; and

(3) transfers of administrative support services occur in accordance with Section 531.02012.

Sec. 531.02002. MEANING OF FUNCTION IN RELATION TO TRANSFERS. Provides that for purposes of the transfers mandated by this subchapter, "function" includes a power, duty, program, or activity of a state agency or entity.

Sec. 531.0201. PHASE ONE: INITIAL TRANSFERS. (a) Provides that on the dates specified in the transition plan required under Section 531.0204, the following functions are transferred to the Health and Human Services Commission (HHSC) as provided by this subchapter:

(1) all functions, including any remaining administrative support services functions, of each state agency and entity subject to abolition under Section 531.0202(a); and

(2) except as provided by Section 531.02013, all client services of the health and human services system, including client services functions performed by the following: the state agency and entity subject to abolition under Section 531.0202(b), the Department of Family and Protective Services (DFPS), the Department of State Health Services (DSHS).

(b) Provides that on the dates specified in the transition plan required under Section 531.0204, all functions in the health and human services system related to prevention and early intervention services, including the Nurse-Family Partnership Competitive Grant Program under Subchapter C, Chapter 265, Family Code, are transferred to DFPS.

Sec. 531.02011. PHASE TWO: FINAL TRANSFERS TO COMMISSION. Provides that on the dates specified in the transition plan required under Section 531.0204, the following functions are transferred to HHSC as provided by this subchapter:

(1) all functions of each state agency and entity subject to abolition under Section 531.0202(b) that remained with the agency or entity after the initial transfer of functions under Section 531.0201 or a transfer of administrative support services functions under Section 531.02012;

(2) regulatory functions and functions related to state-operated institutions of DSHS; and

(3) regulatory functions of DFPS.

Sec. 531.02012. TRANSFER AND CONSOLIDATION OF ADMINISTRATIVE SUPPORT SERVICES FUNCTIONS. (a) Defines "administrative support services."

(b) Requires the executive commissioner of the Health and Human Commission Services (executive commissioner), as soon as practicable after the first day of the period prescribed by Section 531.02001(1) and not later than the last day of the period prescribed by Section 531.02001(2), in accordance with and on the dates specified in the transition plan required under Section 531.0204, after consulting with affected state agencies and divisions, to transfer and consolidate within HHSC administrative support services functions of the health and human services system to the extent consolidation of those support services functions is feasible and contributes to the effective performance of the system. Requires consolidation of an administrative support services function under this section to be conducted in accordance with the principles and requirements for organization of administrative support services under Section 531.00553(c).

(c) Requires that consultation with affected state agencies and divisions under Subsection (b) be conducted in a manner that ensures client services are, at most, only minimally affected, and result in a memorandum of understanding or other agreement between HHSC and each affected agency or division that:

(1) details measurable performance goals that HHSC is expected to meet;

(2) identifies a means by which the agency or division may seek permission from the executive commissioner to find an alternative way to address the needs of the agency or division, as appropriate;

(3) identifies steps to ensure that programs under the health and human services system, whether large or small, receive administrative support services that are adequate to meet the program's needs; and

(4) if appropriate, specifies that staff responsible for providing administrative support services consolidated within HHSC are located in the area where persons requiring those services are located to ensure the staff understands related program needs and can respond to those needs in a timely manner.

Sec. 531.02013. FUNCTIONS REMAINING WITH CERTAIN AGENCIES. Provides that the following functions are not subject to transfer under Sections 531.0201 and 531.02011:

(1) the functions of DFPS, including the statewide intake of reports and other information, related to the following:

(A) child protective services, including services that are required by federal law to be provided by this state's child welfare agency;

(B) adult protective services, other than investigations of the alleged abuse, neglect, or exploitation of an elderly person or person with a disability in a facility operated, or in a facility or by a person licensed, certified, or registered, by a state agency; or by a provider that has contracted to provide home and community-based services; and

(C) prevention and early intervention services; and

(2) the public health functions of DSHS, including health care data collection and maintenance of the Texas Health Care Information Collection program.

Sec. 531.02014. RELATED TRANSFERS; EFFECT OF CONSOLIDATION. (a) Provides that all of the following that relate to a function that is transferred under Section 531.0201, 531.02011, or 531.02012 are transferred to HHSC or DFPS, as applicable, on the date the related function is transferred as specified in the transition plan required under Section 531.0204:

(1) all obligations and contracts, including obligations and contracts related to a grant program;

(2) all property and records in the custody of the state agency or entity from which the function is transferred;

(3) all funds appropriated by the legislature and other money; and

(4) all complaints, investigations, or contested cases that are pending before the state agency or entity from which the function is transferred or a governing person or entity of the state agency or entity, without change in status.

(b) Provides that a rule, policy, or form adopted by or on behalf of a state agency or entity from which functions are transferred under Section

531.0201, 531.02011, or 531.02012 that relates to a function that is transferred under one of those sections becomes a rule, policy, or form of the receiving state agency upon transfer of the related function and remains in effect:

(1) until altered by HHSC or other receiving state agency, as applicable; or

(2) unless it conflicts with a rule, policy, or form of the receiving state agency.

(c) Provides that a license, permit, or certification in effect that was issued by a state agency or entity from which functions are transferred under Section 531.0201 or 531.02011 that relates to a function that is transferred under either of those sections is continued in effect as a license, permit, or certification of HHSC upon transfer of the related function until the license, permit, or certification expires, is suspended or revoked, or otherwise becomes invalid.

**Sec. 531.0202. ABOLITION OF STATE AGENCIES AND ENTITIES; EFFECT OF TRANSFERS.** (a) Provides that each of the following state agencies and entities is abolished on a date that is within the period prescribed by Section 531.02001(1), that is specified in the transition plan required under Section 531.0204 for the abolition of the agency or entity, and that occurs after all of the agency's or entity's functions have been transferred in accordance with Section 531.0201: the Department of Assistive and Rehabilitative Services (DARS), the Health and Human Services Council, the Aging and Disability Services Council, the Assistive and Rehabilitative Services Council, the Family and Protective Services Council, the State Health Services Council, and the Texas Council on Autism and Pervasive Developmental Disorders.

(b) Provides that the following state agency and entity are abolished on a date that is within the period prescribed by Section 531.02001(2), that is specified in the transition plan required under Section 531.0204 for the abolition of the state agency or entity, and that occurs after all of the state agency's or entity's functions have been transferred to HHSC in accordance with Sections 531.0201 and 531.02011: the Department of Aging and Disability Services and the Office for the Prevention of Developmental Disabilities.

(c) Provides that the abolition of a state agency or entity listed in Subsection (a) or (b) and the transfer of its functions and related obligations, rights, contracts, records, property, and funds as provided by this subchapter and the transfer of functions and related obligations, rights, contracts, records, property, and funds to or from DFPS and from DSHS as provided by this subchapter do not affect or impair an act done, any obligation, right, order, permit, certificate, rule, criterion, standard, or requirement existing, or any penalty accrued under former law, and that law remains in effect for any action concerning those matters.

**Sec. 531.0203. HEALTH AND HUMAN SERVICES TRANSITION LEGISLATIVE OVERSIGHT COMMITTEE.** (a) Defines "committee."

(b) Provides that the Health and Human Services Transition Legislative Oversight Committee (committee) is created to facilitate the transfer of functions under Sections 531.0201, 531.02011, and 531.02012 with minimal negative effect on the delivery of services to which those functions relate.

- (c) Provides that the committee is composed of 11 voting members, and sets forth the members.
- (d) Provides that the executive commissioner serves as an ex officio, nonvoting member of the committee.
- (e) Provides that a member of the committee serves at the pleasure of the appointing official.
- (f) Requires the lieutenant governor and the speaker of the house of representatives to each designate a presiding co-chair from among their respective appointments.
- (g) Prohibits a member of the committee from receiving compensation for serving on the committee but provides that the member is entitled to reimbursement for travel expenses incurred by the member while conducting the business of the committee as provided by the General Appropriations Act.
- (h) Requires the committee to:
  - (1) facilitate the transfer of functions under Sections 531.0201, 531.02011, and 531.02012 with minimal negative effect on the delivery of services to which those functions relate;
  - (2) with assistance from HHSC and the state agencies and entities from which functions are transferred under Sections 531.0201, 531.02011, and 531.02012, advise the executive commissioner concerning the functions to be transferred under this subchapter and the funds and obligations that are related to the functions; the transfer of the functions and related records, property, funds, and obligations by the state agencies and entities as provided by this subchapter; and the reorganization of HHSC's administrative structure in accordance with this subchapter, Sections 531.0055 (Executive Commissioner: General Responsibility for Health and Human Services Agencies), 531.00553, 531.00561, 531.00562, and 531.008, and other provisions enacted by the 84th Legislature that become law; and
  - (3) meet:
    - (A) during the period between the establishment of the committee and September 1, 2017, at least quarterly at the call of either chair, in addition to meeting at other times as determined appropriate by either chair;
    - (B) during the period between September 2, 2017, and December 31, 2019, at least semiannually at the call of either chair, in addition to meeting at other times as determined appropriate by either chair; and
    - (C) during the period between January 1, 2020, and August 31, 2023, at least annually at the call of either chair, in addition to meeting at other times as determined appropriate by either chair.
- (i) Provides that Chapter 551 (Open Meetings) applies to the committee.
- (j) Requires the committee to submit a report to the governor, lieutenant governor, speaker of the house of representatives, and legislature not later

than December 1 of each even-numbered year. Requires that the report include an update on the progress of and issues related to:

(1) the transfer of functions under Sections 531.0201, 531.02011, and 531.02012 to HHSC and DFPS, including the need for any additional statutory changes required to complete the transfer of prevention and early intervention services functions to DFPS in accordance with this subchapter; and

(2) the reorganization of HHSC's administrative structure in accordance with this subchapter, Sections 531.0055, 531.00553, 531.00561, 531.00562, and 531.008, and other provisions enacted by the 84th Legislature that become law.

(k) Provides that the committee is abolished September 1, 2023.

Sec. 531.02031. STUDY ON CONTINUING NEED FOR CERTAIN STATE AGENCIES. (a) Requires the executive commissioner, not later than September 1, 2018, to conduct a study and submit a report and recommendation to the committee regarding the need to continue DFPS and DSHS as state agencies separate from HHSC.

(b) Requires the committee, not later than December 1, 2018, to review the report and recommendation submitted under Subsection (a) and submit a report and recommendation to the legislature regarding the need to continue DFPS and DSHS as state agencies separate from HHSC.

(c) Requires the committee to include the following in the report submitted to the legislature under Subsection (b):

(1) an evaluation of the transfer of prevention and early intervention services functions to DFPS as provided by this subchapter, including an evaluation of:

(A) any increased coordination and efficiency in the operation of the programs achieved as a result of the transfer;

(B) DFPS's coordination with other state agency programs providing similar prevention and early intervention services; and

(C) DFPS's interaction with stakeholders and other interested parties in performing the department's functions; and

(2) any recommendations concerning the transfer of prevention and early intervention services functions of DFPS to another state agency.

Sec. 531.0204. TRANSITION PLAN FOR IMPLEMENTATION OF CONSOLIDATION. (a) Requires that the transfers of functions under Sections 531.0201, 531.02011, and 531.02012 be accomplished in accordance with a transition plan developed by the executive commissioner that ensures that the transfers and provision of health and human services in this state are accomplished in a careful and deliberative manner. Requires that the transition plan:

(1) include an outline of HHSC's reorganized structure, including its divisions, in accordance with this subchapter, Sections

531.00561, 531.00562, and 531.008 (Divisions of Commission), and other provisions enacted by the 84th Legislature that become law;

(2) include details regarding movement of functions and a timeline that, subject to the periods prescribed by Section 531.02001, specifies the dates on which:

(A) the transfers under Sections 531.0201, 531.02011, and 531.02012 are to be made;

(B) each state agency or entity subject to abolition under Section 531.0202 is abolished; and

(C) each division of HHSC is created and the division's director is appointed;

(3) for purposes of Sections 531.0201, 531.02011, and 531.02013, define client services functions, regulatory functions, public health functions, and functions related to state-operated institutions, child protective services, adult protective services, and prevention and early intervention services; and

(4) include an evaluation and determination of the feasibility and potential effectiveness of consolidating administrative support services into HHSC in accordance with Section 531.02012, including a report of:

(A) the specific support services that will be consolidated within the commission;

(B) a timeline that details when specific support services will be consolidated, including a description of the support services that will transfer by the last day of each period prescribed by Section 531.02001; and

(C) measures the commission will take to ensure information resources and contracting support services continue to operate properly across the health and human services system under any consolidation of administrative support services.

(b) Requires the executive commissioner, in defining the transferred functions under Subsection (a)(3), to ensure that:

(1) not later than the last day of the period prescribed by Section 531.02001(1), all functions of a state agency or entity subject to abolition under Section 531.0202(a) are transferred to HHSC or DFPS, as applicable;

(2) the transferred prevention and early intervention services functions to DFPS include:

(A) prevention and early intervention services as defined under Section 265.001, Family Code; and

(B) programs that provide parent education, promote healthier parent-child relationships, or prevent family violence, and



(3) not later than the last day of the period prescribed by Section 531.02001(2), all functions of the state agency and entity subject to abolition under Section 531.0202(b) are transferred to HHSC.

(c) Requires the executive commissioner, in developing the transition plan, before submitting the plan to the committee, the governor, and the Legislative Budget Board (LBB) as required by Subsection (e) to:

(1) hold public hearings in various geographic areas in this state regarding the plan; and

(2) solicit and consider input from appropriate stakeholders.

(d) Requires HHSC, within the periods prescribed by Section 531.02001, to begin administering the respective functions assigned to the commission under Sections 531.0201 and 531.02011, as applicable, and DFPS to begin administering the functions assigned to the department under Section 531.0201.

(d-1) Requires that the assumption of the administration of the functions transferred to HHSC and DFPS under Sections 531.0201 and 531.02011, as applicable, be accomplished in accordance with the transition plan.

(e) Requires the executive commissioner to submit the transition plan to the committee, the governor, and the LBB not later than March 1, 2016. Requires the committee to comment on and make recommendations to the executive commissioner regarding any concerns or adjustments to the transition plan the committee determines appropriate. Prohibits the executive commissioner from finalizing the transition plan until the executive commissioner has reviewed and considered the comments and recommendations of the committee regarding the transition plan.

(f) Requires the executive commissioner to publish in the Texas Register:

(1) the transition plan developed under this section;

(2) any adjustments to the transition plan recommended by the committee;

(3) a statement regarding whether the executive commissioner adopted or otherwise incorporated the recommended adjustments; and

(4) if the executive commissioner did not adopt a recommended adjustment, the justification for not adopting the adjustment.

Sec. 531.02041. **REQUIRED REPORTS AFTER TRANSITION PLAN SUBMISSION.** Requires the executive commissioner if, at any time after the executive commissioner submits the transition plan in accordance with Section 531.0204(e), the executive commissioner proposes to make a substantial organizational change to the health and human services system that was not included in the transition plan to, before implementing the proposed change, submit a report detailing the proposed change to the Health and Human Services Transition Legislative Oversight Committee.

Sec. 531.0205. **APPLICABILITY OF FORMER LAW.** Provides that an action brought or proceeding commenced before the date of a transfer prescribed by this subchapter in accordance with the transition plan required under Section 531.0204, including a contested case or a remand of an action or proceeding by a

reviewing court, is governed by the laws and rules applicable to the action or proceeding before the transfer.

Sec. 531.0206. LIMITED-SCOPE SUNSET REVIEW. (a) Requires the Sunset Advisory Commission to conduct a limited-scope review of the commission during the state fiscal biennium ending August 31, 2023, in the manner provided by Chapter 325 (Texas Sunset Act). Requires the review to provide:

(1) an update on the commission's progress with respect to the consolidation of the health and human services system mandated by this subchapter, including the commission's compliance with the transition plan required under Section 531.0204;

(2) an evaluation and recommendations regarding the need to continue the Department of Family and Protective Services and the Department of State Health Services as state agencies separate from the commission; and

(3) any additional information the Sunset Advisory Commission determines appropriate, including information regarding any additional organizational changes the Sunset Advisory Commission recommends.

(b) Provides that the commission is not abolished solely because the commission is not explicitly continued following the review required by this section.

Sec. 531.0207. EXPIRATION OF SUBCHAPTER. Provides that this subchapter expires September 1, 2023.

(b) Requires that not later than October 1, 2015:

(1) the lieutenant governor, the speaker of the house of representatives, and the governor make the appointments to the committee as required by Section 531.0203(c), Government Code, as added by this article; and

(2) the lieutenant governor and the speaker of the house of representatives each designate a presiding co-chair of the committee in accordance with Section 531.0203(f), Government Code, as added by this article.

(c) Requires HHSC, as soon as appropriate under the consolidation under Subchapter A-1, Chapter 531, Government Code, as added by this article, and in a manner that minimizes disruption of services, to take appropriate action to be designated as the state agency responsible under federal law for any state or federal program that is transferred to HHSC in accordance with that subchapter and for which federal law requires the designation of a responsible state agency.

(d) Provides that a power, duty, program, function, or activity of DARS, notwithstanding Section 531.0201, 531.02011, or 531.02012, Government Code, as added by this article, may not be transferred to HHSC under that section if:

(1) H.B. No. 3294 or S.B. No. 208, 84th Legislature, Regular Session, 2015, or similar legislation of the 84th Legislature, Regular Session, 2015, is enacted, becomes law, and provides for the transfer of the power, duty, program, function, or activity to the Texas Workforce Commission (TWC) subject to receipt of any necessary federal approval or other authorization for the transfer to occur; and

(2) DARS or TWC receives the necessary federal approval or other authorization to enable the transfer to occur not later than September 1, 2016.

(e) Provides that if neither DARS or TWC receives the federal approval or other authorization described by Subsection (d) of this section to enable the transfer of the power, duty, program, function, or activity to TWC to occur not later than September 1, 2016, as provided by the legislation described by Subsection (d) of this section, the power, duty, program, function, or activity of DARS transfers to HHSC in accordance with Section 531.0201, Government Code, as added by this article, and the transition plan required under Section 531.0204, Government Code, as added by this article.

SECTION 1.02. Amends Subchapter A, Chapter 531, Government Code, by adding Sections 531.0011 and 531.0012, as follows:

Sec. 531.0011. REFERENCES IN LAW MEANING COMMISSION OR APPROPRIATE DIVISION. (a) Provides that, in this code or in any other law, a reference to certain state agencies or entities set forth in relation to a function transferred to the commission under Section 531.0201, 531.02011, or 531.02012, as applicable, means HHSC or the division of HHSC performing the function previously performed by the state agency or entity before the transfer, as appropriate.

(b) Provides that, in this code or in any other law and notwithstanding any other law, a reference to certain state agencies or entities set forth in relation to a function transferred to HHSC under Section 531.0201, 531.02011, or 531.02012, as applicable, from the state agency that assumed the relevant function in accordance with Chapter 198 (H.B. 2292) (relating to the provision of health and human services in this state), Acts of the 78th Legislature, Regular Session, 2003, means HHSC or the division of the HHSC performing the function previously performed by the agency that assumed the function before the transfer, as appropriate.

(c) Provides that, in this code or in any other law and notwithstanding any other law, a reference to the Department of Protective and Regulatory Services in relation to a function transferred under Section 531.0201, 531.02011, or 531.02012, as applicable, from DFPS means HHSC or the division of the commission performing the function previously performed by DFPS before the transfer.

(d) Provides that this section applies notwithstanding Section 531.001(4) (defining health and human services agencies).

Sec. 531.0012. REFERENCES IN LAW MEANING EXECUTIVE COMMISSIONER OR DESIGNEE. (a) Provides that, in this code or in any other law, a reference to any of the following persons in relation to a function transferred to the commission under Section 531.0201, 531.02011, or 531.02012, as applicable, means the executive commissioner, the executive commissioner's designee, or the director of the division of the commission performing the function previously performed by the state agency from which it was transferred and that the person represented, as appropriate, the commissioner of aging and disability services, the commissioner of assistive and rehabilitative services, the commissioner of state health services, or the commissioner of DFPS.

(b) Provides that, in this code or in any other law and notwithstanding any other law, a reference to any of the following persons or entities in relation to a function transferred to HHSC under Section 531.0201, 531.02011, or 531.02012, as applicable, from the state agency that assumed or continued to perform the function in accordance with Chapter 198 (H.B. 2292), Acts of the 78th Legislature, Regular Session, 2003, means the executive commissioner or the director of the division of HHSC performing the function performed before the enactment of Chapter 198 (H.B. 2292) by the state agency that was abolished or renamed by Chapter 198 (H.B. 2292) and that the person or entity represented:

(1) an executive director or other chief administrative officer of a state agency listed in Section 531.0011(b) or of the Department of Protective and Regulatory Services; or

(2) the governing body of a state agency listed in Section 531.0011(b) or of the Department of Protective and Regulatory Services.

(c) Provides that a reference to any of the following councils means the executive commissioner or the executive commissioner's designee, as appropriate, and a function of any of the following councils is a function of that appropriate person; sets forth the list of councils.

SECTION 1.03. (a) Amends Subchapter A, Chapter 531, Government Code, by adding Section 531.0051, as follows:

Sec. 531.0051. HEALTH AND HUMAN SERVICES COMMISSION EXECUTIVE COUNCIL. (a) Provides that the HHSC Executive Council (council) is established to receive public input and advise the executive commissioner regarding the operation of HHSC. Requires the council to seek and receive public comment on:

(1) proposed rules;

(2) recommendations of advisory committees;

(3) legislative appropriations requests or other documents related to the appropriations process;

(4) the operation of health and human services programs; and

(5) other items the executive commissioner determines appropriate.

(b) Provides that the council does not have authority to make administrative or policy decisions.

(c) Provides that the council is composed of the executive commissioner, the director of each division established by the executive commissioner under Section 531.008(c), the commissioner of a health and human services agency, and other individuals appointed by the executive commissioner as the executive commissioner determines necessary.

(c-1) Requires the executive commissioner, to the extent the executive commissioner appoints members to the council under Subsection (c)(4), to make every effort to ensure that those appointments result in a council membership that includes a balanced representation of a broad range of health and human services industry and consumer interests, and representation from broad geographic regions of this state.

(d) Provides that the executive commissioner serves as the chair of the council and requires the executive commissioner to adopt rules for the operation of the council.

(f) Requires the council to meet at the call of the executive commissioner at least quarterly. Authorizes the executive commissioner to call additional meetings as the executive commissioner determines necessary.

(g) Requires the council to give public notice of the date, time, and place of each meeting held by the council. Requires that a live video transmission of each meeting be publicly available through the Internet.

(h) Provides that a majority of the members of the council constitute a quorum for the transaction of business.

(i) Prohibits a council member appointed under Subsection (c)(4) from receiving compensation for service as a member of the council but is entitled to reimbursement for travel expenses incurred by the member while conducting the business of the council as provided by the General Appropriations Act.

(j) Requires the executive commissioner to develop and implement policies that provide the public with a reasonable opportunity to appear before the council and to speak on any issue under the jurisdiction of HHSC.

(k) Provides that a meeting of individual members of the council that occurs in the ordinary course HHSC operation is not a meeting of the council, and the requirements of Subsection (g) do not apply.

(l) Provides that this section does not limit the authority of the executive commissioner to establish additional advisory committees or councils.

(m) Provides that Chapters 551 and 2110 (State Agency Advisory Committees) do not apply to the council.

(b) Requires the council established under Section 531.0051, Government Code, as added by this article, to begin operation as soon as possible after the executive commissioner appoints division directors in accordance with Section 531.00561, Government Code, as added by this article.

SECTION 1.04. Amends the heading to Section 531.0055, Government Code, to read as follows:

**Sec. 531.0055. EXECUTIVE COMMISSIONER: GENERAL RESPONSIBILITY FOR HEALTH AND HUMAN SERVICES SYSTEM.**

SECTION 1.05. Amends Section 531.0055, Government Code, by amending Subsection (b), as amended by S.B. No. 219, Acts of the 84th Legislature, Regular Session, 2015, and amending Subsections (d), (e), (f), (g), (h), (k), and (l), as follows:

(b) Changes references to health and human services agencies to health and human services system. Makes nonsubstantive changes.

(d) Requires HHSC, after implementation of HHSC's duties under Subsections (b) and (c), to implement the powers and duties given to the commission under Section 531.0248 (Community Based Support Systems). Provides that nothing in the priorities established by this section is intended to limit the authority of the commission to work simultaneously to achieve the multiple tasks assigned to the commission in this section, when such an approach is beneficial in the judgment of the commission. Requires the commission to plan and implement an efficient and effective centralized system of administrative support services for the health and human services system in accordance with Section 531.00553, rather than health and human services agencies. Deletes existing text providing that the performance of administrative support services for health and human services agencies is the responsibility of HHSC. Provides that the term "administrative support services" includes, but is not limited to, strategic planning and evaluation, audit, legal, human resources, information resources, purchasing, contract management, financial management, and accounting services.

(e) Requires the executive commissioner, notwithstanding any other law, to adopt rules and policies for the operation of and provision of health and human services by the health and human services system, rather than the health and human services agencies. Requires the executive commissioner, in addition, as necessary to perform the functions described

by Subsections (b), (c), and (d) and Section 531.00553 in implementation of applicable policies established for a health and human services system agency or division, as applicable, by the executive commissioner, to:

(1) manage and direct the operations of each agency or division, rather than each health and human services agency, as applicable;

(2) supervise and direct the activities of each agency or division director, as applicable; and

(3) be responsible for the administrative supervision of the internal audit program for the health and human services system agencies, including certain responsibilities set forth.

(f) Provides that the operational authority and responsibility of the executive commissioner for purposes of Subsection (e) for each health and human services system agency or division, as applicable, includes authority over and responsibility for the:

(1) management of the daily operations of the agency or division, including the organization and management of the agency or division and its operating procedures;

(2) allocation of resources within the agency or division, including use of federal funds received by the agency or division;

(3) and (4) Makes no change to these subdivision;

(5) information resources systems used by the agency or division;

(6) location of facilities; and

(7) coordination of agency or division activities with activities of other components of the health and human services system and state agencies rather than coordination of agency activities with activities of other state agencies including other health and human services agencies.

(g) Provides that notwithstanding any other law, the operational authority and responsibility of the executive commissioner for purposes of Subsection (e) for each health and human services system agency or division, as applicable, includes the authority and responsibility to adopt or approve, subject to applicable limitations, any rate of payment or similar provision required by law to be adopted or approved by a health and human services system agency.

(h) Requires the executive commissioner, for each health and human services system agency and division, as applicable, to implement a program to evaluate and supervise daily operations, rather than daily operations of the agency. Requires that the program include measurable performance objectives for each agency or division director and adequate reporting requirements to permit the executive commissioner to perform the duties assigned to the executive commissioner under this section.

(k) Requires the executive commissioner and each agency director to enter into a memorandum of understanding in the manner prescribed by Section 531.0163 that:

(1) Makes no change to this subdivision;

(2) Makes a nonsubstantive change;

(3) describes each delegation of a power or duty made to an agency director, rather than each delegation of a power or duty under Subsection (i) or other law; and

(4) ensures that HHSC and each health and human services agency has access to databases or other information maintained or kept by each other agency that is necessary for the operation of a function performed by the commission or the health and human services agency, to the extent not prohibited by other law, rather than under Subsection (i) or other law.

(l) Changes references to health and human services agencies to health and human services system. Makes nonsubstantive changes.

SECTION 1.06. Amends Subchapter A, Chapter 531, Government Code, by adding Section 531.00553, as follows:

Sec. 531.00553. ADMINISTRATIVE SUPPORT SERVICES. (a) Defines in this section "administrative support services."

(b) Requires the executive commissioner, subject to Subsection (c), to plan and implement an efficient and effective centralized system of administrative support services for the health and human services system. Provides that the performance of administrative support services for the health and human services system is the responsibility of HHSC.

(c) Requires the executive commissioner to plan and implement the centralized system of administrative support services in accordance with the principles and requirements as set forth.

(d) Provides that the memorandum of understanding or other agreement required under Subsection (c), if appropriate, may be combined with the memorandum of understanding required under Section 531.0055(k) (relating to the executive commissioner and agency director's assigned responsibilities).

SECTION 1.07. Amends Section 531.0056, Government Code, by adding Subsection (g), to provide that the requirements of this section apply with respect to a state agency listed in Section 531.001(4) only until the agency is abolished under Section 531.0202.

SECTION 1.08. (a) Amends Subchapter A, Chapter 531, Government Code, by adding Sections 531.00561 and 531.00562, as follows:

Sec. 531.00561. APPOINTMENT AND QUALIFICATIONS OF DIVISION DIRECTORS. (a) Requires the executive commissioner to appoint a director for each division established within HHSC under Section 531.008, except that the director of the office of inspector general is appointed in accordance with Section 531.102(a-1).

(b) Requires the executive commissioner to:

(1) develop clear qualifications for the director of each division appointed under this section that ensure that an individual appointed director has:

(A) demonstrated experience in fields relevant to the director position; and

(B) executive-level administrative and leadership experience; and

(2) ensure the qualifications developed under Subdivision (1) are publicly available.

Sec. 531.00562. DIVISION DIRECTOR DUTIES. (a) Requires the executive commissioner to clearly define the duties and responsibilities of a division director and develop clear policies for the delegation of specific decision-making authority, including budget authority, to division directors.

(b) Provides that the delegation of decision-making authority should be significant enough to ensure the efficient administration of HHSC's programs and services.

(b) Requires the executive commissioner to implement Sections 531.00561 and 531.00562, Government Code, as added by this article, on the date specified in the transition plan required under Section 531.0204, Government Code, as added by this article.

SECTION 1.09. (a) Amends Section 531.008, Government Code, as amended by S.B. No. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

Sec. 531.008. DIVISIONS OF COMMISSION. (a) Requires the executive commissioner to establish divisions within HHSC along functional lines as necessary for effective administration and for the discharge of HHSC's functions. Deletes existing authorizing the executive commissioner subject to Subsection (c), to establish divisions within HHSC as necessary for effective administration and for the discharge of HHSC's functions.

(b) Authorizes the executive commissioner to allocate and reallocate functions among HHSC's divisions. Deletes existing text authorizing subject to Subsection (c), the executive commissioner to allocate and reallocate functions among HHSC's divisions.

(c) Requires the executive commissioner, notwithstanding Subsections (a) and (b), to establish the following divisions and offices within HHSC:

(1) a medical and social services division;

(2) Makes no change to this subdivision;

(3) a regulatory division;

(4) an administrative division; and

(5) a facilities division for the purpose of administering state facilities, including state hospitals and state supported living centers.

Deletes existing text requiring the executive commissioner to establish the following divisions and offices within HHSC: the eligibility services division to make eligibility determinations for services provided through the commission or a health and human services agency related to the child health plan program, the financial assistance program under Chapter 31 (Financial Assistance and Service Programs), Human Resources Code, Medicaid, the supplemental nutrition assistance program under Chapter 33 (Nutritional Assistance Programs), Human Resources Code, long-term care services, as defined by Section 22.0011 (Definition), Human Resources Code, community-based support services identified or provided in accordance with Section 531.02481, and other health and human services programs, as appropriate; the office of the ombudsman to provide dispute resolution services for the commission and the health and human services agencies; a purchasing division as provided by Section 531.017 (Purchasing Division), and an internal audit division to conduct a program of internal auditing in accordance with Chapter 2102 (Internal Auditing).



(d) Provides that Subsection (c) does not prohibit the executive commissioner from establishing additional divisions under Subsection (a) as the executive commissioner determines appropriate. Provides that this subsection and Subsection (c) expire September 1, 2023.

(b) Requires the executive commissioner to establish divisions within the commission as required under Section 531.008, Government Code, as amended by this article, on the date specified in the transition plan required under Section 531.0204, Government Code, as added by this article.

SECTION 1.10. (a) Amends Subchapter A, Chapter 531, Government Code, by adding Section 531.0083, as follows:

Sec. 531.0083. OFFICE OF POLICY AND PERFORMANCE. (a) Defines, in this section "office."

(b) Requires the executive commissioner to establish the office of policy and performance as an executive-level office designed to coordinate policy and performance efforts across the health and human services system. Requires the office to coordinate those efforts, to:

(1) develop a performance management system;

(2) take the lead in supporting and providing oversight for the implementation of major policy changes and in managing organizational changes; and

(3) act as a centralized body of experts within the commission that offers program evaluation and process improvement expertise.

(c) Requires the office, in developing a performance management system under Subsection (b)(1), to:

(1) gather, measure, and evaluate performance measures and accountability systems used by the health and human services system;

(2) develop new and refined performance measures as appropriate; and

(3) establish targeted, high-level system metrics that are capable of measuring and communicating overall performance and achievement of goals by the health and human services system to both internal and public audiences through various mechanisms, including the Internet.

(d) Requires the office, in providing support and oversight for the implementation of policy or organizational changes within the health and human services system under Subsection (b)(2), to:

(1) ensure individuals receiving services from or participating in programs administered through the health and human services system do not lose visibility or attention during the implementation of any new policy or organizational change by establishing timelines and milestones for any transition, supporting staff of the health and human services system in any change between service delivery methods, and providing feedback to executive management on technical assistance and other support needed to achieve a successful transition;

(2) address cultural differences among staff of the health and human services system; and

(3) track and oversee changes in policy or organization mandated by legislation or administrative rule.

(e) Requires the office, in acting as a centralized body of experts under Subsection (b)(3), to:

(1) for the health and human services system, provide program evaluation and process improvement guidance both generally and for specific projects identified with executive or stakeholder input or through risk analysis; and

(2) identify and monitor cross-functional efforts involving different administrative components within the health and human services system and the establishment of cross-functional teams when necessary to improve the coordination of services provided through the system.

(f) Authorizes the executive commissioner to otherwise develop the office's structure and duties as the executive commissioner determines appropriate.

(b) Requires the executive commissioner, as soon as practicable after the effective date of this article but not later than October 1, 2015, to establish the office of policy and performance as an executive office within HHSC as required under Section 531.0083, Government Code, as added by this article.

(c) Requires the office of policy and performance required under Section 531.0083, Government Code, as added by this article, to assist the committee created under Section 531.0203, Government Code, as added by this article, by performing the functions required of the office under Section 531.0083(b)(2), Government Code, as added by this article, with respect to the consolidation mandated by Subchapter A-1, Chapter 531, Government Code, as added by this article.

SECTION 1.11. Amends Section 531.017, Government Code, as follows:.

Sec. 531.017. New heading: PURCHASING UNIT. (a) Requires HHSC to establish a purchasing unit for the management of administrative activities related to the purchasing functions within the health and human services system, rather than requiring HHSC to establish a purchasing division for the management of administrative activities related to the purchasing functions of HHSC and the health and human services agencies.

(b) Requires the purchasing unit, rather than division:

(1) seek to achieve targeted cost reductions, increase process efficiencies, improve technological support and customer services, and enhance purchasing support within the health and human services system, rather than for each health and human services agency; and

(2) if cost-effective, contract with private entities to perform purchasing functions for the health and human services system, rather than if cost-effective, contract with private entities to perform purchasing functions for HHSC and the health and human services agencies.

SECTION 1.12. Amends Chapter 265, Family Code, by designating Sections 265.001 through 265.004 as Subchapter A and adding a subchapter heading, to read as follows:

SUBCHAPTER A. PREVENTION AND EARLY INTERVENTION SERVICES

SECTION 1.13. Amends Section 265.002, Family Code, as follows:

Sec. 265.002. PREVENTION AND EARLY INTERVENTION SERVICES DIVISION.

(a) Creates this subsection from existing text and makes no further change.

(b) Requires that DFPS's prevention and early intervention services division be organizationally separate from the department's divisions performing child protective services and adult protective services functions.

SECTION 1.14. Amends Subchapter A, Chapter 265, Family Code, as added by this article, by adding Section 265.006, as follows:

Sec. 265.006. PROHIBITION ON USE OF AGENCY NAME OR LOGO. Prohibits DFPS from allowing the use of the department's name or identifying logo or insignia on forms or other materials related to the department's prevention and early intervention services that are provided by the department's contractors or distributed by the department's contractors to the department's clients.

SECTION 1.15. (a) Transfers Subchapter Q, Chapter 531, Government Code, including provisions amended by S.B. No. 219, Acts of the 84th Legislature, Regular Session, 2015, to Chapter 265, Family Code, redesignates it as Subchapter C, Chapter 265, Family Code, and amends, as follows:

SUBCHAPTER C. NURSE-FAMILY PARTNERSHIP COMPETITIVE GRANT PROGRAM

Redesignates Sec. 531.651 as Sec. 265.101 and makes no further change.

Redesignates Sec. 531.652 as Sec. 265.102 and changes references to HHSC to DFPS.

Redesignates Sec. 531.653 as Sec. 265.103 and makes no further change.

Redesignates Sec. 531.654 as Sec. 265.104 and makes conforming changes.

Redesignates Sec. 531.655 as Sec. 265.105 and makes conforming changes.

Redesignates Sec. 531.656 as Sec. 265.106 and makes no further change.

Redesignates Sec. 531.657 as Sec. 265.107 and makes no further change.

Redesignates Sec. 531.658 as Sec. 265.108 and makes conforming changes.

Redesignates Sec. 531.659 as Sec. 265.109 and makes conforming changes.

Redesignates Sec. 531.660 as Sec. 265.110 and makes conforming changes.

(b) Requires HHSC, notwithstanding the transfer of Subchapter Q, Chapter 531, Government Code, to Chapter 265, Family Code, and redesignation as Subchapter C of that chapter, to continue to administer the Nurse-Family Partnership Competitive Grant Program under that subchapter until the date the program transfers to DFPS in accordance with Section 531.0201, Government Code, as added by this article, and the transition plan under Section 531.0204, Government Code, as added by this article.

SECTION 1.16. Amends Section 1001.002, Health and Safety Code, effective September 1, 2017, as follows:

Sec. 1001.002. New heading: AGENCY AND AGENCY FUNCTIONS. (a) Provides that, in this section, "function" includes a power, duty, program, or activity and an

administrative support services function associated with the power, duty, program, or activity, unless consolidated under Section 531.02012, Government Code.

(b) Creates this subsection from existing text and makes no further changes.

(c) Provides that, in accordance with Subchapter A-1, Chapter 531, Government Code, and notwithstanding any other law, DSHS performs only functions related to public health, including health care data collection and maintenance of the Texas Health Care Information Collection program.

SECTION 1.17. Amends Subchapter A, Chapter 1001, Health and Safety Code, effective September 1, 2017, by adding Sections 1001.004 and 1001.005, as follows:

Sec. 1001.004. REFERENCES IN LAW MEANING DEPARTMENT. Provides that in this code or any other law, a reference to the department in relation to a function described by Section 1001.002(c) means DSHS. Provides that a reference in law to the department in relation to any other function has the meaning assigned by Section 531.0011, Government Code.

Sec. 1001.005. REFERENCES IN LAW MEANING COMMISSIONER OR DESIGNEE. Provides that, in this code or in any other law, a reference to the commissioner in relation to a function described by Section 1001.002(c) means the commissioner of state health services. Provides that a reference in law to the commissioner in relation to any other function has the meaning assigned by Section 531.0012, Government Code.

SECTION 1.18. Amends Section 40.002(b), Human Resources Code, effective September 1, 2017, as amended by S.B. No. 219, Acts of the 84th Legislature, Regular Session, 2015, to require DFPS, except as provided by Section 40.0025, rather than notwithstanding any other law, to provide certain services and programs as set forth.

SECTION 1.19. Amends Subchapter A, Chapter 40, Human Resources Code, effective September 1, 2017, by adding Sections 40.0025, 40.0026, and 40.0027, as follows:

Sec. 40.0025. AGENCY FUNCTIONS. (a) Provides that, in this section, "function" includes a power, duty, program, or activity and an administrative support services function associated with the power, duty, program, or activity, unless consolidated under Section 531.02012, Government Code.

(b) Provides that in accordance with Subchapter A-1, Chapter 531, Government Code, and notwithstanding any other law, DFPS performs only functions, including the statewide intake of reports and other information, related to certain services as set forth.

Sec. 40.0026. REFERENCES IN LAW MEANING DEPARTMENT. Provides that in this code or any other law, a reference to the department in relation to a function described by Section 40.0025(b) means DFPS. Provides that in reference in law to the department in relation to any other function has the meaning assigned by Section 531.0011, Government Code.

Sec. 40.0027. REFERENCES IN LAW MEANING COMMISSIONER OR DESIGNEE. Provides that in this code or in any other law, a reference to the commissioner in relation to a function described by Section 40.0025(b) means the commissioner of DFPS. A reference in law to the commissioner in relation to any other function has the meaning assigned by Section 531.0012, Government Code.

SECTION 1.20. Amends Sections 40.0515(d) and (e), Human Resources Code, as follows:

(d) Provides that a performance review conducted under Subsection (b)(3) is considered a performance evaluation for purposes of Section 40.032(c) (relating to the executive

director developing a system of annual performance evaluations) of this code or Section 531.009(c) (relating to the executive director developing a system of annual performance evaluations), Government Code, as applicable. Requires DFPS to ensure that disciplinary or other corrective action is taken against a supervisor or other managerial employee who is required to conduct a performance evaluation for adult protective services personnel under Section 40.032(c) of this code or Section 531.009(c), Government Code, as applicable, or a performance review under Subsection (b)(3) and who fails to complete that evaluation or review in a timely manner.

(e) Requires that the annual performance evaluation required under Section 40.032(c) of this code or Section 531.009(c), Government Code, as applicable, of the performance of a supervisor in the adult protective services division is performed in a certain manner as set forth.

SECTION 1.21. (a) Amends the heading to Subchapter C, Chapter 112, Human Resources Code, to read as follows:

#### SUBCHAPTER C. PREVENTION OF DEVELOPMENTAL DISABILITIES

(b) Amends Section 112.042, Human Resources Code, is amended by amending Subdivision (1) and adding Subdivisions (1-a) and (1-b) to define "commission" and "executive commissioner," and makes a nonsubstantive change.

(c) Amends Subchapter C, Chapter 112, Human Resources Code, by adding Sections 112.0421 and 112.0431, as follows:

Sec. 112.0421. **APPLICABILITY AND EXPIRATION OF CERTAIN PROVISIONS.** (a) Sections 112.041(a), 112.043, 112.045, 112.0451, 112.0452, 112.0453, 112.0454, 112.046, 112.047, 112.0471, and 112.0472 (relating to certain policies, responsibilities, and duties of the Office for the Prevention of Developmental Disabilities) apply only until the date the executive commissioner of the Health and Human Services Commission (executive commissioner) begins to administer this subchapter and the commission assumes the duties and functions of the Office for the Prevention of Developmental Disabilities in accordance with Section 112.0431.

(b) Provides that on the date the provisions listed in Subsection (a) cease to apply, the executive committee under Section 112.045 (Executive Committee) and the board of advisors under Section 112.046 are abolished.

(c) Provides that this section and Sections 112.041(a), 112.043, 112.045, 112.0451, 112.0452, 112.0453, 112.0454, 112.046, 112.047, 112.0471, and 112.0472 expire on the last day of the period prescribed by Section 531.02001(2), Government Code.

Sec. 112.0431. **ADMINISTRATION OF SUBCHAPTER; CERTAIN REFERENCES.** (a) Requires the executive commissioner, notwithstanding any other provision in this subchapter, to administer this subchapter beginning on the date specified in the transition plan under Section 531.0204, Government Code, and requires HHSC to perform the duties and functions of the Office for the Prevention of Developmental Disabilities in the organizational form the executive commissioner determines appropriate.

(b) Provides that following the assumption of the administration of this subchapter by the executive commissioner and the duties and functions by HHSC in accordance with Subsection (a):

(1) a reference in this subchapter to the office, the Office for the Prevention of Developmental Disabilities, or the executive

committee of that office means HHSC, the division or other organizational unit within HHSC designated by the executive commissioner, or the executive commissioner, as appropriate; and

(2) a reference in any other law to the Office for the Prevention of Developmental Disabilities has the meaning assigned by Subdivision (1).

(d) Amends Section 112.044, Human Resources Code, as follows:

Sec. 112.044. DUTIES. Requires the office to:

(1) and (2) Makes no change to these subdivisions;

(3) work with appropriate divisions within HHSC, state agencies, and other entities to develop a coordinated long-range plan to effectively monitor and reduce the incidence or severity of developmental disabilities;

(4)-(6) Makes no change to these subdivisions;

(7) develop, operate, and monitor programs created under Section 112.048 (Task Forces) addressing, rather than task forces to address, the prevention of specific targeted developmental disabilities;

(8) monitor and assess the effectiveness of divisions within HHSC and of state agencies in preventing, rather than to prevent, developmental disabilities;

(9) recommend the role each division within HHSC and each state agency should have with regard to prevention of developmental disabilities;

(10) facilitate coordination of state agency prevention services and activities within HHSC and among appropriate state agencies; and

(11) Makes no change to this subdivision;

(e) Amends Sections 112.048 and 112.049, Human Resources Code, to read as follows:

Sec. 112.048. New heading: PREVENTION PROGRAMS FOR TARGETED DEVELOPMENTAL DISABILITIES. (a) Requires the executive committee to establish guidelines for reviewing plans, budgets, and operations for programs under this section. Deletes a reference to task forces.

(b) Requires the executive committee to plan and implement prevention programs for specifically targeted developmental disabilities. Deletes existing text requiring the executive committee to create task forces made up of members of the board of advisors to plan and implement prevention programs for specifically targeted developmental disabilities. Deletes existing text providing that a task force operates as an administrative division of the office and can be abolished when it is ineffective or is no longer needed.

(c) Provides that a program under this section:

(1) is required to include a plan designed to reduce the incidence of a specifically targeted disability;

(2) is required to include a budget for implementing a plan;

(3) is required to be funded through contracts for services from participating agencies, grants and gifts from private persons and consumer and advocacy organizations, and foundation support; and

(4) is required to be approved by the executive committee.

Deletes existing text requiring that a task force develop a plan designed to reduce the incidence of a specifically targeted disability, prepare a budget for implementing a plan, arrange for funds through contracts for services from participating agencies, grants and gifts from private persons and consumer and advocacy organizations, and foundation support; and submit the plan, budget, and evidence of funding commitments to the executive committee for approval.

Deletes existing subsection (d) requiring a task force to regularly report to the executive committee, as required by the committee, the operation, progress, and results of the task force's prevention plan.

Sec. 112.049. EVALUATION. (a) Changes a reference to a task force program to a program under Section 112.048.

(b) Changes a reference to a task force prevention programs to programs under Section 112.048.

(f) Amends the heading to Section 112.050, Human Resources Code, to read as follows:

Sec. 112.050. GRANTS AND OTHER FUNDING.

(g) Amends Section 112.050, Human Resources Code, by amending Subsection (c) and adding Subsection (d), as follows:

(c) Prohibits the executive committee from submitting a legislative appropriation request for general revenue funds for purposes of this subchapter.

(d) Authorizes the office, in addition to funding under Subsection (a), to accept and solicit gifts, donations, and grants of money from public and private sources, including the federal government, local governments, and private entities, to assist in financing the duties and functions of the office. Requires HHSC to support office fund-raising efforts authorized by this subsection. Provides that funds raised under this subsection may only be spent in furtherance of a duty or function of the office or in accordance with rules applicable to the office.

(h) Amends Section 112.051, Human Resources Code, as follows:

Sec. 112.051. REPORTS TO LEGISLATURE. Requires the office to submit by February 1 of each odd-numbered year biennial reports to the legislature detailing findings of the office and the results of prevention programs under Section 112.048, rather than task force prevention programs and recommending improvements in the delivery of developmental disability prevention services.

(i) Requires the Office for the Prevention of Developmental Disabilities and any administrative entity of the Office for the Prevention of Developmental Disabilities, notwithstanding the changes in law made by this section, to continue to operate under the law as it existed before the effective date of this article, and that law is continued in effect for that purpose, until the executive commissioner of HHSC begins administering Subchapter C, Chapter 112, Human Resources Code, as amended by this article, and HHSC begins performing the duties and functions of the Office for the Prevention of Developmental Disabilities as required by Section 112.0431, Human Resources Code, as added by this article, on the date specified in the transition plan required under Section 531.0204, Government Code, as added by this article.

(j) Requires the executive commissioner to begin administering Subchapter C, Chapter 112, Human Resources Code, as amended by this article, and HHSC to begin performing the duties and functions of the Office for the Prevention of Developmental Disabilities as required by Section 112.0431, Human Resources Code, as added by this article, on the date specified in the transition plan required under Section 531.0204, Government Code, as added by this article.

SECTION 1.22. (a) Amends the heading to Chapter 114, Human Resources Code, as follows:

CHAPTER 114. AUTISM AND PERVASIVE DEVELOPMENTAL DISORDERS

(b) Amends Section 114.002, Human Resources Code, by adding Subdivisions (1-a) and (3), to define "commission" and "executive commissioner."

(c) Amends Chapter 114, Human Resources Code, by adding Sections 114.0021 and 114.0031, as follows:

Sec. 114.0021. APPLICABILITY AND EXPIRATION OF CERTAIN PROVISIONS. (a) Provides that Sections 114.001 (Short Title), 114.003 (Council), 114.004 (Staff Support), 114.005 (Advisory Task Force), 114.007(a) (relating to certain recommendations made by the council to HHSC), and 114.010(d) (authorizing funds to be appropriated to the council) apply only until the date the executive commissioner begins to administer this chapter and HHSC assumes the duties and functions of the Texas Council on Autism and Pervasive Developmental Disorders in accordance with Section 114.0031.

(b) Provides that on the date the provisions listed in Subsection (a) cease to apply, the Texas Council on Autism and Pervasive Developmental Disorders is abolished.

(c) Provides that this section and Sections 114.001, 114.003, 114.004, 114.005, 114.007(a), and 114.010(d) expire on the last day of the period prescribed by Section 531.02001(1), Government Code.

Sec. 114.0031. ADMINISTRATION OF CHAPTER; CERTAIN REFERENCES. (a) Requires the executive commissioner, notwithstanding any other provision in this chapter, to administer this chapter beginning on the date specified in the transition plan under Section 531.0204, Government Code, and requires HHSC to perform the duties and functions of the Texas Council on Autism and Pervasive Developmental Disorders in the organizational form the executive commissioner determines appropriate.

(b) Provides that following the assumption of the administration of this chapter by the executive commissioner and the duties and functions by HHSC in accordance with Subsection (a):

(1) a reference in this chapter to the council, the Texas Council on Autism and Pervasive Developmental Disorders, or an agency represented on the council means HHSC, the division or other organizational unit within HHSC designated by the executive commissioner, or the executive commissioner, as appropriate; and

(2) a reference in any other law to the Texas Council on Autism and Pervasive Developmental Disorders has the meaning assigned by Subdivision (1).

(d) Amends Section 114.006(b), Human Resources Code, as follows:



(b) Requires the council to make written recommendations on the implementation of this chapter. Provides that if the council considers a recommendation that will affect another state agency, rather than another agency not represented on the council, the council is required to seek the advice and assistance of the agency before taking action on the recommendation. Provides that on approval of the governing body of the agency, each agency affected by a council recommendation shall implement the recommendation. Requires an agency, if an agency does not have sufficient funds to implement a recommendation, to request funds for that purpose in its next budget proposal.

(e) Amends Sections 114.007(b) and (c), Human Resources Code, as follows:

(b) Requires the council, rather than requires the council with the advice of the advisory task force, with input from people with autism and other pervasive developmental disorders, their families, and related advocacy organizations, rather than with the advice of the task force, to address contemporary issues affecting services available to persons with autism or other pervasive developmental disorders in this state, including certain issues as set forth.

(c) Requires the council, rather than requires the council with the advice of the advisory task force, with input from people with autism and other pervasive developmental disorders, their families, and related advocacy organizations, to advise the legislature on legislation that is needed to develop further and to maintain a statewide system of quality intervention and treatment services for all persons with autism or other pervasive developmental disorders. Provides that the council may develop and recommend legislation to the legislature or comment on pending legislation that affects those persons.

(f) Amends Section 114.008, Human Resources Code, as follows:

Sec. 114.008. REPORT. (a) Deletes existing text requiring that the agencies represented on the council and the public members report to the council any requirements identified by the agency or person to provide additional or improved services to persons with autism or other pervasive developmental disorders. Requires the council, not later than November 1 of each even-numbered year, to:

(1) prepare a report summarizing requirements the council identifies and recommendations for providing additional or improved services to persons with autism or other pervasive developmental disorders; and

(2) deliver the report to the executive commissioner, the governor, the lieutenant governor, and the speaker of the house of representatives, rather than deliver to the executive commissioner of the Health and Human Services Commission, the governor, the lieutenant governor, and the speaker of the house of representatives, a report summarizing the recommendations.

(b) Requires the council to develop a strategy for establishing new programs to meet the requirements identified through the council's review and assessment and from input from people with autism and related pervasive developmental disorders, their families, and related advocacy organizations, rather than the task force, people with autism and related pervasive developmental disorders, their families, and related advocacy organizations.

(g) Amends Section 114.013, Human Resources Code, as follows:

Sec. 114.013. New heading: COORDINATION OF RESOURCES FOR INDIVIDUALS WITH AUTISM SPECTRUM DISORDERS. (a) Requires

HHSC to coordinate resources for individuals with autism and other pervasive developmental disorders and their families, rather than requiring HHSC to establish and administer an autism spectrum disorders resource center to coordinate resources for individuals with autism and other pervasive developmental disorders and their families. Requires HHSC, in coordinating those resources, to consult with appropriate state agencies, rather than requiring HHSC, in establishing and administering the center, to consult with the council and coordinate with appropriate state agencies, including each agency represented on the council.

(b) Requires HHSC, as part of coordinating resources under Subsection (a), to perform certain services and duties as set forth.

(h) Requires the Texas Council on Autism and Pervasive Developmental Disorders and any administrative entity of the Texas Council on Autism and Pervasive Developmental Disorders, notwithstanding the changes in law made by this section, to continue to operate under the law as it existed before the effective date of this article, and that law is continued in effect for that purpose, until the executive commissioner of HHSC begins administering Chapter 114, Human Resources Code, as amended by this article, and HHSC begins performing the duties and functions of the Texas Council on Autism and Pervasive Developmental Disorders as required by Section 114.0031, Human Resources Code, as added by this article, on the date specified in the transition plan required under Section 531.0204, Government Code, as added by this article.

(i) Requires the executive commissioner to begin administering Chapter 114, Human Resources Code, as amended by this article, and HHSC to begin performing the duties and functions of the Texas Council on Autism and Pervasive Developmental Disorders as required by Section 114.0031, Human Resources Code, as added by this article, on the date specified in the transition plan required under Section 531.0204, Government Code, as added by this article.

SECTION 1.23 (a) Repealers, effective September 1, 2016, including provisions amended by S.B. No. 219, Acts of the 84th Legislature, Regular Session, 2015:

Section 531.0235 (Biennial Disability Reports), Government Code; and

Subchapter K (Health and Human Services Council), Chapter 531 (Health and Human Services Council), Government Code.

(b) Repealers, effective September 1, 2016:

Section 1001.021 (State Health Services Council), Health and Safety Code;

Section 1001.022 (Appointments), Health and Safety Code;

Section 1001.023 (Training Program for Council Members), Health and Safety Code;

Section 1001.024 (Terms), Health and Safety Code;

Section 1001.025 (Vacancy), Health and Safety Code;

Section 1001.026 (Presiding Officer; Other Officers; Meetings), Health and Safety Code; and

Section 1001.027 (Reimbursement for Expenses), Health and Safety Code.

(c) Repealers, effective September 1, 2016, including provisions amended by S.B. No. 219, Acts of the 84th Legislature, Regular Session, 2015:

Section 40.021 (Family and Protective Services Council), Human Resources Code;

Section 40.022 (Appointments), Human Resources Code;

Section 40.0226 (Training Program for Council Members), Human Resources Code;

Section 40.024 (Terms; Vacancy), Human Resources Code;

Section 40.025 (Reimbursement for Expenses), Human Resources Code;

Section 40.026 (Presiding Officer; Other Officers; Meetings), Human Resources Code;

Section 117.002 (Agency), Human Resources Code;

Section 117.021 (Assistive and Rehabilitative Services Council), Human Resources Code;

Section 117.022 (Appointments), Human Resources Code;

Section 117.023 (Training Program for Council Members), Human Resources Code;

Section 117.024 (Terms), Human Resources Code;

Section 117.025 (Vacancy), Human Resources Code;

Section 117.026 (Presiding Officer; Other Officers; Meetings), Human Resources Code;

Section 117.027 (Reimbursement for Expenses), Human Resources Code;

Section 117.028 (Public Interest Information and Complaints), Human Resources Code;

Section 117.029 (Public Access and Testimony), Human Resources Code;

Section 117.030 (Policymaking and Management Responsibilities), Human Resources Code;

Section 117.032 (Offices), Human Resources Code;

Section 117.051 (Commissioner), Human Resources Code;

Section 117.052 (Personnel), Human Resources Code;

Section 117.053 (Information About Qualifications and Standards of Conduct), Human Resources Code;

Section 117.054 (Merit Pay), Human Resources Code;

Section 117.055 (Career Ladder), Human Resources Code;

Section 117.056 (Equal Employment Opportunity Policy), Human Resources Code;

Section 117.072 (Information Regarding Complaints), Human Resources Code;

Section 161.021 (Aging and Disability Services Council), Human Resources Code;

Section 161.022 (Appointments), Human Resources Code;

Section 161.023 (Training Program for Council Members), Human Resources Code;

Section 161.024 (Terms), Human Resources Code;

Section 161.025 (Vacancy), Human Resources Code;

Section 161.026 (Presiding Officer; Other Officers; Meetings), Human Resources Code;

Section 161.027 (Reimbursement for Expenses), Human Resources Code;

Section 161.028 (Public Interest Information and Complaints), Human Resources Code;

Section 161.029 (Public Access and Testimony), Human Resources Code; and

Section 161.030 (Policymaking and Management Responsibilities), Human Resources Code.

(d) Repealer, effective September 1, 2017: Section 531.0055(i) (authorizing the executive commissioner to delegate certain powers or duties as set forth), Government Code.

(e) Repealers, effective September 1, 2017, including provisions amended by S.B. No. 219, Acts of the 84th Legislature, Regular Session, 2015:

Section 161.002 (Agency), Human Resources Code;

Section 161.032 (Offices), Human Resources Code;

Section 161.051 (Commissioner), Human Resources Code;

Section 161.052 (Personnel), Human Resources Code;

Section 161.053 (Information About Qualifications and Standards of Conduct), Human Resources Code;

Section 161.054 (Merit Pay), Human Resources Code;

Section 161.055 (Career Ladder), Human Resources Code;

Section 161.056 (Equal Employment Opportunity Policy), Human Resources Code; and

Section 161.072 (Information Regarding Complaints), Human Resources Code.

(f) Provides that, notwithstanding Subsections (a), (b), (c), (d), and (e) of this section, the implementation of a provision repealed by one of those subsections ceases on the date the responsible state agency or entity listed in Section 531.0202, Government Code, as added by this article, is abolished as provided by Subchapter A-1, Chapter 531, Government Code, as added by this article.

## ARTICLE 2. HEALTH AND HUMAN SERVICES SYSTEM OPERATIONS

SECTION 2.01. Amends Section 531.001, Government Code, by adding Subdivision (3-a), to define "health and human services system."

SECTION 2.02. Amends Subchapter A, Chapter 531, Government Code, by adding Section 531.00552, as follows:

Sec. 531.00552. CONSOLIDATED INTERNAL AUDIT PROGRAM. (a) Requires HHSC, notwithstanding Section 2102.005, to operate the internal audit program required under Chapter 2102 (Internal Auditing), Government Code, for HHSC and each health and human services agency as a consolidated internal audit program.

(b) Provides that, for purposes of this section, a reference in Chapter 2102, Government Code, to the administrator of a state agency with respect to a health and human services agency means the executive commissioner of HHSC (executive commissioner).

SECTION 2.03. (a) Amends Subchapter A, Chapter 531, Government Code, by adding Section 531.0164, as follows:

Sec. 531.0164. HEALTH AND HUMAN SERVICES SYSTEM INTERNET WEBSITE COORDINATION. Requires HHSC to establish a process to ensure Internet websites across the health and human services system are developed and maintained according to standard criteria for uniformity, efficiency, and technical capabilities. Requires HHSC, under the process, to:

(1) develop and maintain an inventory of all health and human services system Internet websites;

(2) on an ongoing basis, evaluate the inventory maintained under Subdivision (1) to:

(A) determine whether any of the Internet websites should be consolidated to improve public access to those websites' content; and

(B) ensure the Internet websites comply with the standard criteria; and

(3) if appropriate, consolidate the websites identified under Subdivision (2)(A).

(b) Requires HHSC to implement Section 531.0164, Government Code, as added by this article as soon as possible after the effective date of this article.

(c) Requires HHSC, as soon as possible after a function is transferred in accordance with Section 531.0201, 531.02011, or 531.02012, Government Code, as added by this Act, to, in accordance with Section 531.0164, Government Code, as added by this article, ensure that an Internet website related to the transferred function is updated, transferred, or consolidated to reflect the consolidation mandated by Subchapter A-1, Chapter 531, Government Code, as added by this Act.

SECTION 2.04. (a) Amends Subchapter A, Chapter 531, Government Code, by adding Section 531.0171, as follows:

Sec. 531.0171. OFFICE OF OMBUDSMAN. (a) Requires the executive commissioner to establish HHSC's office of the ombudsman with authority and responsibility over the health and human services system in performing the following functions:

- (1) providing dispute resolution services for the health and human services system;
- (2) performing consumer protection and advocacy functions related to health and human services, including assisting a consumer or other interested person with:
  - (A) raising a matter within the health and human services system that the person feels is being ignored; and
  - (B) obtaining information regarding a filed complaint; and
- (3) collecting inquiry and complaint data related to the health and human services system.

(b) Provides that the office of the ombudsman does not have the authority to provide a separate process for resolving complaints or appeals.

(c) Requires the executive commissioner to develop a standard process for tracking and reporting received inquiries and complaints within the health and human services system. Requires that the process provide for the centralized tracking of inquiries and complaints submitted to field, regional, or other local health and human services system offices.

(d) Requires that the office of the ombudsman, using the process developed under Subsection (c), collect inquiry and complaint data from all offices, agencies, divisions, and other entities within the health and human services system. Authorizes the office, to assist with the collection of data under this subsection, to access any system or process for recording inquiries and complaints used or maintained within the health and human services system.

(b) Requires the executive commissioner to implement Section 531.0171, Government Code, as added by this article as soon as possible after the effective date of this article.

(c) Provides that, notwithstanding any other provision of state law but except as provided by Subsection (d) of this section:

(1) each office of an ombudsman established before the effective date of this section that performs ombudsman duties for a state agency or entity subject to abolition under Section 531.0202, Government Code, as added by this Act, is abolished on the date the state agency or entity for which the office performs ombudsman duties is abolished in accordance with the transition plan under Section 531.0204, Government Code, as added by this Act; and

(2) each office of an ombudsman established before the effective date of this section that performs ombudsman duties for the Department of Family and Protective Services (DFPS) or the Department of State Health Services (DSHS) is abolished on the date specified in the transition plan under Section 531.0204, Government Code, as added by this Act.

(d) Provides that the following offices of an ombudsman are not abolished under Subsection (c) of this section and continue in existence:

(1) the office of independent ombudsman for state supported living centers established under Subchapter C (Office Of Independent Ombudsman For State Supported Living Centers), Chapter 555, Health and Safety Code;

(2) the office of the state long-term care ombudsman; and

(3) any other ombudsman office serving all or part of the health and human services system that is required by federal law.

(e) Requires the executive commissioner to certify which offices of ombudsman are abolished, and which are exempt from abolition, under Subsection (d) of this section and to publish that certification in the Texas Register not later than September 1, 2016.

SECTION 2.05. (a) Amends Subchapter A, Chapter 531, Government Code, by adding Section 531.0192, as follows:

Sec. 531.0192. HEALTH AND HUMAN SERVICES SYSTEM HOTLINE AND CALL CENTER COORDINATION. (a) Requires HHSC to establish a process to ensure all health and human services system hotlines and call centers are necessary and appropriate. Requires HHSC, under the process, to:

(1) develop criteria for use in assessing whether a hotline or call center serves an ongoing purpose;

(2) develop and maintain an inventory of all system hotlines and call centers;

(3) use the inventory and assessment criteria developed under this subsection to periodically consolidate hotlines and call centers along appropriate functional lines;

(4) develop an approval process designed to ensure that a newly established hotline or call center, including the telephone system and contract terms for the hotline or call center, meets policies and standards established by HHSC; and

(5) develop policies and standards for hotlines and call centers that include both quality and quantity performance measures and benchmarks and may include:

(A) client satisfaction with call resolution;

(B) accuracy of information provided;

(C) the percentage of received calls that are answered;

(D) the amount of time a caller spends on hold; and

(E) call abandonment rates.

(a-1) Authorizes HHSC, in developing policies and standards under Subsection (a)(5), to allow varied performance measures and benchmarks for a hotline or call center based on factors affecting the capacity of the hotline or call center, including factors such as staffing levels and funding.

(b) Requires HHSC, in consolidating hotlines and call centers under Subsection (a)(3), to seek to maximize the use and effectiveness of HHSC's 2-1-1 telephone number.

(b) Requires HHSC, as soon as possible after the effective date of this article, to implement Section 531.0192, Government Code, as added by this article.

(c) Requires HHSC, not later than March 1, 2016, to complete an initial assessment and consolidation of hotlines and call centers, as required by Section 531.0192, Government Code, as added by this article.

(d) Requires HHSC to, in accordance with Section 531.0192, Government Code, as added by this article, ensure a hotline or call center related to the transferred function is transferred or consolidated to reflect the consolidation mandated by Subchapter A-1, Chapter 531, Government Code, as added by this Act as soon as possible after a function is transferred in accordance with Section 531.0201 or 531.02011, Government Code, as added by this Act.

SECTION 2.06. Amends Subchapter B, Chapter 531, Government Code, by adding Section 531.02731, as follows:

Sec. 531.02731. REPORT OF INFORMATION RESOURCES MANAGER TO COMMISSION. Requires the information resources manager of a health and human services agency, notwithstanding Section 2054.075(b), to report directly to the executive commissioner or a deputy executive commissioner designated by the executive commissioner.

### ARTICLE 3. FEDERAL AUTHORIZATION AND EFFECTIVE DATE

SECTION 3.01. Requires a state agency, if necessary for implementation of a provision of this Act, to request a waiver or authorization from a federal agency, and authorizes a delay of implementation until such a waiver or authorization is granted.

SECTION 3.02. Effective date: except as otherwise provided by this Act, September 1, 2015.