BILL ANALYSIS

Senate Research Center

H.B. 3519 By: Guerra et al. (Watson) Health & Human Services 5/14/2015 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2011, the 82nd Legislature passed S.B. 293. This legislation helped create a cost-effective alternative to more traditional ways of providing medical care by allowing Medicaid to cover home telemonitoring services. These services utilize various telecommunications technologies to transmit medical information from the patient's home to care providers. S.B. 293 specified eligibility criteria which targeted those groups most in need of telemonitoring services, and included variables such as frequent hospitalizations, poor adherence to medical regimens, limited informal support structure, and challenges accessing care. Additionally, the bill provided for a Sunset date of September 1, 2015, for Medicaid reimbursement for home telemonitoring services.

Since the passage of S.B. 293, projects have been undertaken and produced data that could show the cost-effectiveness of extending this service beyond the criteria currently listed in statute. Therefore, H.B. 3519 enables the Health and Human Services Commission to provide this service, through rulemaking, for additional conditions for which cost-effectiveness and feasibility can be shown. This legislation also allows HHSC to conduct pilot projects in order to collect evidence regarding the cost-effectiveness of providing home telemonitoring services to additional populations. Additionally, H.B. 3519 requires that reimbursement for services be provided in the event of an unsuccessful data transmission if the provider of the service attempts to communicate with the patient by telephone or in person to establish a successful data transmission. Furthermore, the bill also adds pediatric patients with chronic or complex medical needs and meeting other certain criteria to the eligibility list. Finally, H.B. 3519 extends the Sunset date for Medicaid reimbursement for home telemonitoring services to September 1, 2021.

H.B. 3519 amends current law relating to the use of home telemonitoring services under Medicaid.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to executive commissioner of the Health and Human Services Commission in SECTION 3 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 531.02164, Government Code, by amending Subsection (c), as amended by S.B. No. 219, Acts of the 84th Legislature, Regular Session, 2015, and by adding Subsections (c-1) and (c-2), as follows:

- (c) Requires that the program (statewide program permitting reimbursement under the state Medicaid program for home telemonitoring service) required under this section:
 - (1) provide that home telemonitoring services are available only to a person who:
 - (A) is diagnosed with one or more of the following conditions:
 - (i)-(ix) Makes no change to these subparagraphs:
 - (x) and (xi) Makes nonsubstantive changes;

SRC-CFJ H.B. 3519 84(R) Page 1 of 2

- (xii) another condition for which the Health and Human Services Commission (HHSC) makes an evidence-based determination that monitoring through the use of home telemonitoring services is cost-effective and feasible; and
- (B) exhibits two or more of certain risk factors set forth;
- (2) and (3) Makes nonsubstantive changes;
- (4) provide reimbursement for home telemonitoring services in the event of an unsuccessful data transmission if the provider of the services attempts to communicate with the patient by telephone or in person to establish a successful data transmission.

Makes nonsubstantive changes.

- (c-1) Requires that the program required under this section, notwithstanding Subsection (c)(1), also provide that home telemonitoring services are available to a pediatric patient with chronic or complex medical needs who:
 - (1) is being concurrently treated by at least three medical specialists;
 - (2) is medically dependent on technology;
 - (3) is diagnosed with end-stage solid organ disease; or
 - (4) requires mechanical ventilation.
- (c-2) Prohibits a provider that is reimbursed under Subsection (c)(4) for home telemonitoring services provided to a patient from also being reimbursed for communicating with the patient by telephone or in person to establish a successful data transmission as described by Subsection (c)(4).
- SECTION 2. Amends Section 531.02176, Government Code, as amended by S.B. No. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:
 - Sec. 531.02176. EXPIRATION OF MEDICAID REIMBURSEMENT FOR PROVISION OF HOME TELEMONITORING SERVICES. Prohibits HHSC, notwithstanding any other law, from reimbursing providers under Medicaid for the provision of home telemonitoring services on or after September 1, 2021, rather than September 1, 2015.
- SECTION 3. Requires the executive commissioner of HHSC, as soon as practicable after the effective date of this Act, to adopt necessary rules to implement the changes in law made by this Act.
- SECTION 4. 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 5. Effective date: September 1, 2015.

SRC-CFJ H.B. 3519 84(R) Page 2 of 2