

By: Muñoz, Jr., Dukes, Guillen

H.B. No. 2084

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to transparency in the rate-setting processes for the  
3 Medicaid managed care and child health plan programs.

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

5 SECTION 1. Subchapter A, Chapter 533, Government Code, is  
6 amended by adding Section 533.01314 to read as follows:

7 Sec. 533.01314. TRANSPARENCY OF PREMIUM PAYMENT  
8 RATE-SETTING PROCESS FOR MEDICAID MANAGED CARE PROGRAM. The  
9 commission shall ensure the transparency of the premium payment  
10 rate-setting process for the Medicaid managed care program by  
11 publishing actuarial reports:

12 (1) in a format that allows for tracing data and  
13 formulas across attachments, exhibits, and examples; and

14 (2) that clearly identify and describe:

15 (A) the methodology by which the executive  
16 commissioner set the payment rates;

17 (B) the data sources used;

18 (C) the components of the process that are  
19 assumptions and how the assumptions are developed;

20 (D) multipliers and factors used throughout the  
21 reports, including the source and purpose of the multipliers and  
22 factors; and

23 (E) the methodology by which the executive  
24 commissioner determined that the rates are actuarially sound for

1 the populations covered and the services provided.

2 SECTION 2. Subchapter B, Chapter 62, Health and Safety  
3 Code, is amended by adding Section 62.061 to read as follows:

4 Sec. 62.061. TRANSPARENCY OF PREMIUM PAYMENT RATE-SETTING  
5 PROCESS. The commission shall ensure the transparency of the  
6 premium payment rate-setting process for the child health plan  
7 program by publishing actuarial reports:

8 (1) in a format that allows for tracing data and  
9 formulas across attachments, exhibits, and examples; and

10 (2) that clearly identify and describe:

11 (A) the methodology by which the executive  
12 commissioner set the payment rates;

13 (B) the data sources used;

14 (C) the components of the process that are  
15 assumptions and how the assumptions are developed;

16 (D) multipliers and factors used throughout the  
17 reports, including the source and purpose of the multipliers and  
18 factors; and

19 (E) the methodology by which the executive  
20 commissioner determined that the rates are actuarially sound for  
21 the populations covered and the services provided.

22 SECTION 3. If before implementing any provision of this Act  
23 a state agency determines that a waiver or authorization from a  
24 federal agency is necessary for implementation of that provision,  
25 the agency affected by the provision shall request the waiver or  
26 authorization and may delay implementing that provision until the  
27 waiver or authorization is granted.

1 SECTION 4. This Act takes effect September 1, 2015.