

By: Zerwas

H.B. No. 2

A BILL TO BE ENTITLED

AN ACT

relating to making supplemental appropriations and giving direction and adjustment authority regarding appropriations.

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

SECTION 1. APPROPRIATION REDUCTION: PUBLIC FINANCE AUTHORITY. The unencumbered appropriations from the general revenue fund to the Public Finance Authority made by Chapter 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the General Appropriations Act), for use during the state fiscal biennium ending August 31, 2017, for bond debt service payments, including appropriations subject to Rider 2, page I-47, Chapter 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the General Appropriations Act), to the bill pattern of the appropriations to the authority, are reduced by a total aggregate of \$53,636,997. The Public Finance Authority shall identify the strategies and objectives to which the reduction is to be allocated and the amount of the reduction for each of those strategies and objectives.

SECTION 2. HEALTH AND HUMAN SERVICES COMMISSION: MEDICAID SHORTFALL. (a) In addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2017, \$930,733,818 is appropriated from the general revenue fund, and \$1,705,243,901 is appropriated from federal funds, to the Health and Human Services Commission for the state fiscal year ending August 31, 2017, for

1 Medicaid services under Goal B, Medicaid, as listed in Chapter 1281
2 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the
3 General Appropriations Act).

4 (b) The expenditure or emergency transfer of money
5 appropriated under Subsection (a) of this section is subject to the
6 prior written approval of the Legislative Budget Board in
7 accordance with Section 69, Article XVI, Texas Constitution.

8 SECTION 3. HEALTH AND HUMAN SERVICES COMMISSION: MEDICAID
9 ACUTE CARE THERAPY SERVICES. In addition to amounts previously
10 appropriated for the state fiscal biennium ending August 31, 2017,
11 \$21,500,000 is appropriated from the general revenue fund, and
12 \$29,800,000 is appropriated from federal funds, to the Health and
13 Human Services Commission for the state fiscal year ending August
14 31, 2017, for Medicaid acute care therapy services, to be allocated
15 among provider types and procedure codes for those services to
16 preserve access to care.

17 SECTION 4. HEALTH AND HUMAN SERVICES COMMISSION: CERTAIN
18 RIDERS. Subsection (c), Rider 50, page II-97, Chapter 1281 (H.B.
19 1), Acts of the 84th Legislature, Regular Session, 2015 (the
20 General Appropriations Act), to the bill pattern of the
21 appropriations to the Health and Human Services Commission is
22 amended to read as follows:

23 c. HHSC shall reform reimbursement methodology to be in line
24 with industry standards [~~7 policies~~] and utilization for acute care
25 therapy services (including physical, occupational, and speech
26 therapies) while considering stakeholder input and access to care.
27 In state fiscal year 2017, \$28,500,000 [~~Out of the amount in~~

1 ~~subsection (a), in each fiscal year at least \$50,000,000]~~ in
2 General Revenue Funds savings should be achieved through rate
3 reductions ~~[and \$25,000,000 in General Revenue Funds savings may be~~
4 ~~achieved through various medical policy initiatives listed in items~~
5 ~~(1)-(10), below. If \$25,000,000 in savings is not achieved through~~
6 ~~various medical policy initiatives in fiscal year 2016, the amount~~
7 ~~of unrealized savings (the difference between \$25,000,000 in~~
8 ~~General Revenue Funds and savings actually achieved in fiscal year~~
9 ~~2016) should be achieved through additional rate reductions in~~
10 ~~fiscal year 2017 while continuing any initiatives implemented in~~
11 ~~fiscal year 2016 that have been found to produce savings. HHSC may~~
12 ~~achieve savings through various medical policy initiatives, taking~~
13 ~~into consideration the following:~~

14 ~~[(1) Clarifying policy language regarding co-therapy~~
15 ~~definition, documentation, and billing requirements,~~

16 ~~[(2) Clarifying who can participate in therapy~~
17 ~~sessions in policy that interns, aides, students, orderlies and~~
18 ~~technicians can participate in therapy sessions when they are~~
19 ~~directly and appropriately supervised according to provider~~
20 ~~licensure requirements, but they are not eligible to enroll as~~
21 ~~providers and bill Texas Medicaid for services,~~

22 ~~[(3) Consolidate Traditional, Comprehensive Care~~
23 ~~Program and Home Health Agency therapy policies into one policy,~~

24 ~~[(4) Require a primary care or treating physician to~~
25 ~~initiate a signed order or referral prior to an initial therapy~~
26 ~~evaluation. The initial evaluation may require prior authorization~~
27 ~~and the signed order or referral must be dated prior to the~~

1 ~~evaluation,~~

2 ~~[(5) Require a primary care or treating physician to~~
3 ~~order the therapy services based on the outcomes of the evaluation,~~

4 ~~[(6) Clarify medical necessity for therapy services to~~
5 ~~ensure prior authorization staff who are reviewing requests are~~
6 ~~using guidelines based on the nationally recognized standards of~~
7 ~~care,~~

8 ~~[(7) Require licensed Medicaid enrolled therapists to~~
9 ~~document and support decisions for continued therapy based on~~
10 ~~professional assessment of a client's progress relative to their~~
11 ~~individual treatment plan and in concert with the client's primary~~
12 ~~care physician and the individual and/or family,~~

13 ~~[(8) Ensure appropriate duration of services by~~
14 ~~aligning authorization periods with national standards,~~

15 ~~[(9) Streamline prior authorization processes, and~~

16 ~~[(10) Implement policies that ensure services are~~
17 ~~provided in the most cost-efficient and medically appropriate~~
18 ~~setting, and implementation of other medical or billing policy~~
19 ~~changes].~~

20 SECTION 5. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:
21 ADDITIONAL APPROPRIATIONS. In addition to amounts previously
22 appropriated for the state fiscal biennium ending August 31, 2017,
23 the following amounts are appropriated from the general revenue
24 fund to the Department of Family and Protective Services for the
25 state fiscal year ending August 31, 2017, for the following
26 purposes as listed in Chapter 1281 (H.B. 1), Acts of the 84th
27 Legislature, Regular Session, 2015 (the General Appropriations

1 Act):

2 (1) \$12,740,200 for Strategy B.1.3., TWC Contracted
3 Day Care;

4 (2) \$31,993,283 for Strategy B.1.9., Foster Care
5 Payments; and

6 (3) \$1,576,783 for Strategy B.1.10., Adoption/PCA
7 Payments.

8 SECTION 6. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:
9 CERTAIN TRANSFERS. Notwithstanding the limitations of Rider 32,
10 page II-43, Chapter 1281 (H.B. 1), Acts of the 84th Legislature,
11 Regular Session, 2015 (the General Appropriations Act), to the bill
12 pattern of the appropriations to the Department of Family and
13 Protective Services, the department shall transfer \$435,475 from
14 Strategy B.1.11., Relative Caregiver Payments, to Strategy B.1.9.,
15 Foster Care Payments, as listed in Chapter 1281 (H.B. 1), Acts of
16 the 84th Legislature, Regular Session, 2015 (the General
17 Appropriations Act).

18 SECTION 7. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:
19 ADDITIONAL APPROPRIATIONS FOR AGENCY CRITICAL NEEDS. In addition
20 to amounts previously appropriated for the state fiscal biennium
21 ending August 31, 2017, the Department of Family and Protective
22 Services is appropriated for the state fiscal year ending August
23 31, 2017, the following amounts from the general revenue fund for
24 the following strategies as listed in Chapter 1281 (H.B. 1), Acts of
25 the 84th Legislature, Regular Session, 2015 (the General
26 Appropriations Act), to address critical needs of the agency with
27 respect to those strategies:

- 1 (1) \$75,521,204 for Strategy B.1.1., CPS Direct
2 Delivery Staff;
- 3 (2) \$613,174 for Strategy B.1.2., CPS Program Support;
- 4 (3) \$21,000,000 for Strategy B.1.9., Foster Care
5 Payments;
- 6 (4) \$138,854 for Strategy D.1.1., APS Direct Delivery
7 Staff;
- 8 (5) \$6,703 for Strategy D.1.2., APS Program Support;
- 9 (6) \$376,259 for Strategy F.1.1., Central
10 Administration;
- 11 (7) \$33,546 for Strategy F.1.2., Other Support
12 Services;
- 13 (8) \$3,067,626 for Strategy F.1.4., IT Program
14 Support; and
- 15 (9) \$940,108 for Strategy G.1.1., Agency-Wide
16 Automated Systems.

17 SECTION 8. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:
18 CERTAIN TRANSFERS. (a) Notwithstanding any transfer limitation
19 specified in Chapter 1281 (H.B. 1), Acts of the 84th Legislature,
20 Regular Session, 2015 (the General Appropriations Act), the
21 Department of Family and Protective Services shall transfer to the
22 Health and Human Services Commission the following amounts:

- 23 (1) \$29,247,213 of general revenue funds; and
- 24 (2) \$72,450,261 of Temporary Assistance for Needy
25 Families (TANF) program federal funds.

26 (b) The Health and Human Services Commission may spend
27 Temporary Assistance for Needy Families (TANF) program federal

1 funds transferred under Subsection (a)(2) of this section during
2 the state fiscal year ending August 31, 2017, only with the prior
3 written approval of the Legislative Budget Board in accordance with
4 Section 69, Article XVI, Texas Constitution.

5 SECTION 9. TEXAS A&M FOREST SERVICE: APPROPRIATION FOR
6 GENERAL COSTS CAUSED BY VARIOUS EMERGENCY WEATHER-RELATED
7 RESPONSES. In addition to amounts previously appropriated for the
8 state fiscal biennium ending August 31, 2017, \$5,100,000 is
9 appropriated from the general revenue fund to the Texas A&M Forest
10 Service for the state fiscal year ending August 31, 2017, for the
11 purpose of paying for, or reimbursing payments made for, costs
12 incurred by the forest service associated with responding to
13 various weather-related emergencies.

14 SECTION 10. DEPARTMENT OF CRIMINAL JUSTICE: CORRECTIONAL
15 MANAGED HEALTH CARE SHORTFALL. In addition to amounts previously
16 appropriated for the state fiscal biennium ending August 31, 2017,
17 \$80,000,000 is appropriated from the general revenue fund to the
18 Department of Criminal Justice for the state fiscal year ending
19 August 31, 2017, for correctional managed health care under
20 Strategy C.1.9., Hospital and Clinical Care, as listed in Chapter
21 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015
22 (the General Appropriations Act).

23 SECTION 11. JUVENILE JUSTICE DEPARTMENT: OPERATIONAL
24 SHORTFALL. In addition to amounts previously appropriated for the
25 state fiscal biennium ending August 31, 2017, \$4,469,257 is
26 appropriated from the general revenue fund to the Juvenile Justice
27 Department for the state fiscal year ending August 31, 2017, for an

1 operational shortfall.

2 SECTION 12. ANIMAL HEALTH COMMISSION: CATTLE FEVER TICKS.

3 In addition to amounts previously appropriated for the state fiscal
4 biennium ending August 31, 2017, \$649,987 is appropriated from the
5 general revenue fund to the Animal Health Commission for the state
6 fiscal year ending August 31, 2017, for preparedness for, response
7 to, and mitigation of cattle fever ticks under Strategy A.1.1.,
8 Field Operations, as listed in Chapter 1281 (H.B. 1), Acts of the
9 84th Legislature, Regular Session, 2015 (the General
10 Appropriations Act).

11 SECTION 13. TEXAS ALCOHOLIC BEVERAGE COMMISSION. (a) The

12 Texas Alcoholic Beverage Commission may not spend money
13 appropriated to the agency by Chapter 1281 (H.B. 1), Acts of the
14 84th Legislature, Regular Session, 2015 (the General
15 Appropriations Act), for use during the state fiscal biennium
16 ending August 31, 2017:

17 (1) for travel outside the state, other than for bona
18 fide and documented law enforcement or investigative activities; or

19 (2) to attend or participate in an event, training,
20 conference, class, or similar activity outside the state.

21 (b) The Texas Alcoholic Beverage Commission and employees
22 of the commission may not accept payments from or spending
23 authority on behalf of any trade, professional, or industry
24 organization for any purpose or in any form, including a travel
25 subsidy, payment of travel or other expenses for conference
26 presenters, prepaid meals, or lodging.

27 SECTION 14. EFFECTIVE DATE. This Act takes effect

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1 immediately.