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 $39,856,983. 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 economic stabilization 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 Medicaid services under Goal B, Medicaid, as listed in Chapter 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the General Appropriations Act).

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

SECTION 3. HEALTH AND HUMAN SERVICES COMMISION: MEDICAID ACUTE CARE THERAPY SERVICES. In addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2017, $21,500,000 is appropriated from the economic stabilization fund, and $29,800,000 is appropriated from federal funds, to the Health and Human Services Commission for the state fiscal year ending August 31, 2017, for Medicaid acute care therapy services, to be allocated among provider types and procedure codes for those services to preserve access to care.

SECTION 4. HEALTH AND HUMAN SERVICES COMMISSION: CERTAIN RIDERS. Subsection (c), Rider 50, page II-97, 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 Health and Human Services Commission is amended to read as follows:

c. HHSC shall reform reimbursement methodology to be in line with industry standards, policies, and utilization for acute care therapy services (including physical, occupational, and speech therapies) while considering stakeholder input and access to care.

In state fiscal year 2017, $28,500,000 [Out of the amount in
subsection (a), in each fiscal year at least $50,000,000 in General Revenue Funds savings should be achieved through rate reductions and $25,000,000 in General Revenue Funds savings may be achieved through various medical policy initiatives listed in items (1)-(10), below. [If $25,000,000 in savings is not achieved through various medical policy initiatives in fiscal year 2016, the amount of unrealized savings (the difference between $25,000,000 in General Revenue Funds and savings actually achieved in fiscal year 2016) should be achieved through additional rate reductions in fiscal year 2017 while continuing any initiatives implemented in fiscal year 2016 that have been found to produce savings.] HHSC may achieve savings through various medical policy initiatives, taking into consideration the following:

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

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

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

(4) Require a primary care or treating physician to initiate a signed order or referral prior to an initial therapy evaluation. The initial evaluation may require prior authorization and the signed order or referral must be dated prior to the
(5) Require a primary care or treating physician to order the therapy services based on the outcomes of the evaluation,

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

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

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

(9) Streamline prior authorization processes, and

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

SECTION 5. HEALTH AND HUMAN SERVICES COMMISSION: CRITICAL LIFE AND SAFETY NEEDS. In addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2017, $188,609,263 is appropriated from the economic stabilization fund to the Health and Human Services Commission for the two-year period beginning on the effective date of this Act for critical life and safety needs at state hospitals and state supported living centers.

SECTION 6. HEALTH AND HUMAN SERVICES COMMISSION: FORENSIC
H.B. No. 2

BED CAPACITY. In addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2017, $50,000,000 is appropriated from the economic stabilization fund to the Health and Human Services Commission for the two-year period beginning on the effective date of this Act to increase bed capacity at state hospitals and in mental health community hospitals.

SECTION 7. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:
ADDITIONAL APPROPRIATIONS. In addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2017, the following amounts are appropriated from the economic stabilization fund to the Department of Family and Protective Services for the state fiscal year ending August 31, 2017, for the following purposes as listed in Chapter 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the General Appropriations Act):

1. $12,740,200 for Strategy B.1.3., TWC Contracted Day Care;
2. $31,993,283 for Strategy B.1.9., Foster Care Payments; and
3. $1,576,783 for Strategy B.1.10., Adoption/PCA Payments.

SECTION 8. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:
CERTAIN TRANSFERS. Notwithstanding the limitations of Rider 32, page II-43, 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 Department of Family and Protective Services, the department shall transfer $435,475 from
H.B. No. 2


SECTION 9. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:

ADDITIONAL APPROPRIATIONS FOR AGENCY CRITICAL NEEDS. In addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2017, the Department of Family and Protective Services is appropriated for the state fiscal year ending August 31, 2017, the following amounts from the economic stabilization fund for the following strategies as listed in Chapter 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the General Appropriations Act), to address critical needs of the agency with respect to those strategies:

(1) $75,521,204 for Strategy B.1.1., CPS Direct Delivery Staff;
(2) $613,174 for Strategy B.1.2., CPS Program Support;
(3) $21,000,000 for Strategy B.1.9., Foster Care Payments;
(4) $138,854 for Strategy D.1.1., APS Direct Delivery Staff;
(5) $6,703 for Strategy D.1.2., APS Program Support;
(6) $376,259 for Strategy F.1.1., Central Administration;
(7) $33,546 for Strategy F.1.2., Other Support Services;
(8) $3,067,626 for Strategy F.1.4., IT Program
Support; and


SECTION 10. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES: CERTAIN TRANSFERS. (a) Notwithstanding any transfer limitation specified in Chapter 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the General Appropriations Act), the Department of Family and Protective Services shall transfer to the Health and Human Services Commission the following amounts:

(1) $29,247,213 of general revenue funds; and

(2) $72,450,261 of Temporary Assistance for Needy Families (TANF) program federal funds.

(b) The Health and Human Services Commission may spend Temporary Assistance for Needy Families (TANF) program federal funds transferred under Subsection (a)(2) of this section during the state fiscal year ending August 31, 2017, only with the prior written approval of the Legislative Budget Board in accordance with Section 69, Article XVI, Texas Constitution.

SECTION 11. DEPARTMENT OF CRIMINAL JUSTICE: CORRECTIONAL MANAGED HEALTH CARE SHORTFALL. In addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2017, $80,000,000 is appropriated from the economic stabilization fund to the Department of Criminal Justice for the state fiscal year ending August 31, 2017, for correctional managed health care under Strategy C.1.9., Hospital and Clinical Care, as listed in Chapter 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the General Appropriations Act).
SECTION 12. TEXAS A&M FOREST SERVICE: APPROPRIATION FOR GENERAL COSTS CAUSED BY VARIOUS EMERGENCY WEATHER-RELATED RESPONSES. In addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2017, $5,100,000 is appropriated from the economic stabilization fund to the Texas A&M Forest Service for the state fiscal year ending August 31, 2017, for the purpose of paying for, or reimbursing payments made for, costs incurred by the forest service associated with responding to various weather-related emergencies.

SECTION 13. ANIMAL HEALTH COMMISSION: CATTLE FEVER TICKS. (a) In addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2017, $649,987 is appropriated from the economic stabilization fund to the Animal Health Commission for the state fiscal year ending August 31, 2017, for preparedness for, response to, and mitigation of cattle fever ticks under Strategy A.1.1., Field Operations, as listed in Chapter 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the General Appropriations Act).

(b) The amount of $7,169,791 is appropriated from the economic stabilization fund to the Animal Health Commission for the state fiscal biennium beginning September 1, 2017, for preparedness for, response to, and mitigation of cattle fever ticks.

SECTION 14. EFFECTIVE DATE. (a) Except as provided by Subsection (b) of this section, this Act takes effect immediately.

(b) Sections 2, 3, 5, 6, 7, 9, 11, 12, and 13 of this Act take effect only if this Act receives a vote of two-thirds of the members present in each house of the legislature, as provided by Section
1 49-g(m), Article III, Texas Constitution.