

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 \$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

1 August 31, 2017, for Medicaid services under Goal B, Medicaid, as
2 listed in Chapter 1281 (H.B. 1), Acts of the 84th Legislature,
3 Regular Session, 2015 (the 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 economic stabilization fund,
12 and \$29,800,000 is appropriated from federal funds, to the Health
13 and Human Services Commission for the state fiscal year ending
14 August 31, 2017, for Medicaid acute care therapy services, to be
15 allocated among provider types and procedure codes for those
16 services to 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, 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~~
6 ~~through various medical policy initiatives in fiscal year 2016, the~~
7 ~~amount 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 sessions
17 in policy that interns, aides, students, orderlies and technicians
18 can participate in therapy sessions when they are directly and
19 appropriately supervised according to provider licensure
20 requirements, but they are not eligible to enroll as providers and
21 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. HEALTH AND HUMAN SERVICES COMMISSION: CRITICAL
21 LIFE AND SAFETY NEEDS. In addition to amounts previously
22 appropriated for the state fiscal biennium ending August 31, 2017,
23 \$188,609,263 is appropriated from the economic stabilization fund
24 to the Health and Human Services Commission for the two-year period
25 beginning on the effective date of this Act for critical life and
26 safety needs at state hospitals and state supported living centers.

27 SECTION 6. HEALTH AND HUMAN SERVICES COMMISSION: FORENSIC

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

7 SECTION 7. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:
8 ADDITIONAL APPROPRIATIONS. In addition to amounts previously
9 appropriated for the state fiscal biennium ending August 31, 2017,
10 the following amounts are appropriated from the economic
11 stabilization fund to the Department of Family and Protective
12 Services for the state fiscal year ending August 31, 2017, for the
13 following purposes as listed in Chapter 1281 (H.B. 1), Acts of the
14 84th Legislature, Regular Session, 2015 (the General
15 Appropriations Act):

16 (1) \$12,740,200 for Strategy B.1.3., TWC Contracted
17 Day Care;

18 (2) \$31,993,283 for Strategy B.1.9., Foster Care
19 Payments; and

20 (3) \$1,576,783 for Strategy B.1.10., Adoption/PCA
21 Payments.

22 SECTION 8. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:
23 CERTAIN TRANSFERS. Notwithstanding the limitations of Rider 32,
24 page II-43, Chapter 1281 (H.B. 1), Acts of the 84th Legislature,
25 Regular Session, 2015 (the General Appropriations Act), to the bill
26 pattern of the appropriations to the Department of Family and
27 Protective Services, the department shall transfer \$435,475 from

1 Strategy B.1.11., Relative Caregiver Payments, to Strategy B.1.9.,
2 Foster Care Payments, as listed in Chapter 1281 (H.B. 1), Acts of
3 the 84th Legislature, Regular Session, 2015 (the General
4 Appropriations Act).

5 SECTION 9. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:
6 ADDITIONAL APPROPRIATIONS FOR AGENCY CRITICAL NEEDS. In addition
7 to amounts previously appropriated for the state fiscal biennium
8 ending August 31, 2017, the Department of Family and Protective
9 Services is appropriated for the state fiscal year ending August
10 31, 2017, the following amounts from the economic stabilization
11 fund for the following strategies as listed in Chapter 1281 (H.B.
12 1), Acts of the 84th Legislature, Regular Session, 2015 (the
13 General Appropriations Act), to address critical needs of the
14 agency with respect to those strategies:

15 (1) \$75,521,204 for Strategy B.1.1., CPS Direct
16 Delivery Staff;

17 (2) \$613,174 for Strategy B.1.2., CPS Program Support;

18 (3) \$21,000,000 for Strategy B.1.9., Foster Care
19 Payments;

20 (4) \$138,854 for Strategy D.1.1., APS Direct Delivery
21 Staff;

22 (5) \$6,703 for Strategy D.1.2., APS Program Support;

23 (6) \$376,259 for Strategy F.1.1., Central
24 Administration;

25 (7) \$33,546 for Strategy F.1.2., Other Support
26 Services;

27 (8) \$3,067,626 for Strategy F.1.4., IT Program

1 Support; and

2 (9) \$940,108 for Strategy G.1.1., Agency-Wide
3 Automated Systems.

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

10 (1) \$29,247,213 of general revenue funds; and

11 (2) \$72,450,261 of Temporary Assistance for Needy
12 Families (TANF) program federal funds.

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

19 SECTION 11. DEPARTMENT OF CRIMINAL JUSTICE: CORRECTIONAL
20 MANAGED HEALTH CARE SHORTFALL. In addition to amounts previously
21 appropriated for the state fiscal biennium ending August 31, 2017,
22 \$80,000,000 is appropriated from the economic stabilization fund to
23 the Department of Criminal Justice for the state fiscal year ending
24 August 31, 2017, for correctional managed health care under
25 Strategy C.1.9., Hospital and Clinical Care, as listed in Chapter
26 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015
27 (the General Appropriations Act).

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

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

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

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

25 (b) Sections 2, 3, 5, 6, 7, 9, 11, 12, and 13 of this Act take
26 effect only if this Act receives a vote of two-thirds of the members
27 present in each house of the legislature, as provided by Section

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1 [49-g\(m\)](#), Article III, Texas Constitution.