

By: Kolkhorst

S.B. No. 1927

A BILL TO BE ENTITLED

AN ACT

1
2 relating to requiring the Health and Human Services Commission to
3 evaluate and implement changes to the Medicaid and child health
4 plan programs to make the programs more cost-effective, increase
5 competition among providers, and improve health outcomes for
6 recipients.

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

8 SECTION 1. Subchapter B, Chapter 531, Government Code, is
9 amended by adding Section 531.02142 to read as follows:

10 Sec. 531.02142. PUBLIC ACCESS TO CERTAIN MEDICAID DATA.

11 (a) To the extent permitted by federal law, the commission shall
12 make available to the public on its Internet website in an
13 easy-to-read format data relating to the quality of health care
14 received by recipients and the health outcomes of recipients under
15 Medicaid. Data made available to the public under this section must
16 be made available in a manner that does not identify or allow for
17 the identification of individual recipients.

18 (b) In performing its duties under this section, the
19 commission may collaborate with an institution of higher education
20 or another state agency with experience in analyzing and producing
21 public use data.

22 SECTION 2. Section 531.1131, Government Code, is amended by
23 amending Subsections (a), (b), and (c) and adding Subsections
24 (c-1), (c-2), and (c-3) to read as follows:

1 (a) If a managed care organization [~~organization's special~~
2 ~~investigative unit under Section 531.113(a)(1)]~~ or an [~~the~~] entity
3 with which the managed care organization contracts under Section
4 531.113(a)(2) discovers fraud or abuse in Medicaid or the child
5 health plan program, the organization [~~unit~~] or entity shall:

6 (1) immediately submit written notice to [~~and~~
7 ~~contemporaneously notify~~] the commission's office of inspector
8 general and the office of the attorney general in the form and
9 manner prescribed by the office of inspector general and containing
10 a detailed description of the fraud or abuse and each payment made
11 to a provider as a result of the fraud or abuse;

12 (2) subject to Subsection (b), begin payment recovery
13 efforts; and

14 (3) ensure that any payment recovery efforts in which
15 the organization engages are in accordance with applicable rules
16 adopted by the executive commissioner.

17 (b) If the amount sought to be recovered under Subsection
18 (a)(2) exceeds \$100,000, the managed care organization
19 [~~organization's special investigative unit~~] or the contracted
20 entity described by Subsection (a) may not engage in payment
21 recovery efforts if, not later than the 10th business day after the
22 date the organization [~~unit~~] or entity notified the commission's
23 office of inspector general and the office of the attorney general
24 under Subsection (a)(1), the organization [~~unit~~] or entity receives
25 a notice from either office indicating that the organization [~~unit~~]
26 or entity is not authorized to proceed with recovery efforts.

27 (c) A managed care organization may retain one-half of any

1 money recovered under Subsection (a)(2) by the organization
2 [~~organization's special investigative unit~~] or the contracted
3 entity described by Subsection (a). The managed care organization
4 shall remit the remaining amount of money recovered under
5 Subsection (a)(2) to the commission's office of inspector general
6 for deposit to the credit of the general revenue fund.

7 (c-1) If the commission's office of inspector general
8 notifies a managed care organization under Subsection (b), proceeds
9 with recovery efforts, and recovers all or part of the payments the
10 organization identified as required by Subsection (a)(1), the
11 organization is entitled to one-half of the amount recovered for
12 each payment the organization identified after any applicable
13 federal share is deducted. The organization may not receive more
14 than one-half of the total amount of money recovered after any
15 applicable federal share is deducted.

16 (c-2) Notwithstanding any provision of this section, if the
17 commission's office of inspector general discovers fraud, waste, or
18 abuse in Medicaid or the child health plan program in the
19 performance of its duties, the office may recover payments made to a
20 provider as a result of the fraud, waste, or abuse as otherwise
21 provided by this subchapter. All payments recovered by the office
22 under this subsection shall be deposited to the credit of the
23 general revenue fund.

24 (c-3) The commission's office of inspector general shall
25 coordinate with appropriate managed care organizations to ensure
26 that the office and an organization or an entity with which an
27 organization contracts under Section 531.113(a)(2) do not both

1 begin payment recovery efforts under this section for the same case
2 of fraud, waste, or abuse.

3 SECTION 3. Subchapter A, Chapter 533, Government Code, is
4 amended by adding Sections 533.023 and 533.024 to read as follows:

5 Sec. 533.023. OPTIONS FOR ESTABLISHING COMPETITIVE
6 PROCUREMENT PROCESS. Not later than December 1, 2018, the
7 commission shall develop and analyze options, including the
8 potential costs of and cost savings that may be achieved by the
9 options, for establishing a range of rates within which a managed
10 care organization must bid during a competitive procurement process
11 to contract with the commission to arrange for or provide a managed
12 care plan. This section expires September 1, 2019.

13 Sec. 533.024. ASSESSMENT OF STATEWIDE MANAGED CARE PLANS.
14 (a) Not later than December 1, 2018, the commission shall assess
15 the feasibility and cost-effectiveness of contracting with managed
16 care organizations to arrange for or provide managed care plans to
17 recipients throughout the state instead of on a regional basis. In
18 conducting the assessment, the commission shall consider:

19 (1) regional variations in the cost of and access to
20 health care services;

21 (2) recipient access to and choice of providers;

22 (3) the potential impact on providers, including
23 safety net providers; and

24 (4) public input.

25 (b) This section expires September 1, 2019.

26 SECTION 4. (a) Using existing resources, the Health and
27 Human Services Commission shall:

1 (1) identify and evaluate barriers preventing
2 Medicaid recipients enrolled in the STAR + PLUS Medicaid managed
3 care program or a home and community-based services waiver program
4 from choosing the consumer directed services option and develop
5 recommendations for increasing the percentage of Medicaid
6 recipients enrolled in those programs who choose the consumer
7 directed services option; and

8 (2) study the feasibility of establishing a community
9 attendant registry to assist Medicaid recipients enrolled in the
10 community attendant services program in locating providers.

11 (b) Not later than December 1, 2018, the Health and Human
12 Services Commission shall submit a report containing the
13 commission's findings and recommendations under Subsection (a) of
14 this section to the governor, the legislature, and the Legislative
15 Budget Board. The report required by this subsection may be
16 combined with any other report required by this Act or other law.

17 SECTION 5. (a) The Health and Human Services Commission
18 shall conduct a study to evaluate the 30-day limitation on
19 reimbursement for inpatient hospital care provided to Medicaid
20 recipients enrolled in the STAR + PLUS Medicaid managed care
21 program under 1 T.A.C. Section 354.1072(a)(1) and other applicable
22 law. In evaluating the limitation and to the extent data is
23 available on the subject, the commission shall consider:

24 (1) the number of Medicaid recipients affected by the
25 limitation and their clinical outcomes;

26 (2) the types of providers providing health care
27 services to Medicaid recipients who have been denied Medicaid

1 coverage because of the limitation;

2 (3) the impact of the limitation on the providers
3 described in Subdivision (2) of this subsection;

4 (4) the appropriateness of hospitals using money
5 received under the uncompensated care payment program established
6 under the Texas Health Care Transformation and Quality Improvement
7 Program waiver issued under Section 1115 of the federal Social
8 Security Act (42 U.S.C. Section 1315) to pay for health care
9 services provided to Medicaid recipients who have been denied
10 Medicaid coverage because of the limitation; and

11 (5) the impact of the limitation on reducing
12 unnecessary Medicaid inpatient hospital days and any cost savings
13 achieved by the limitation under Medicaid.

14 (b) Not later than December 1, 2018, the Health and Human
15 Services Commission shall submit a report containing the results of
16 the study conducted under Subsection (a) of this section to the
17 governor, the legislature, and the Legislative Budget Board. The
18 report required under this subsection may be combined with any
19 other report required by this Act or other law.

20 SECTION 6. (a) The Health and Human Services Commission
21 shall conduct a study of the provision of dental services to adults
22 with disabilities under the Medicaid program, including:

23 (1) the types of dental services provided, including
24 preventive dental care, emergency dental services, and
25 periodontal, restorative, and prosthodontic services;

26 (2) limits or caps on the types and costs of dental
27 services provided;

1 (3) unique considerations in providing dental care to
2 adults with disabilities, including additional services necessary
3 for adults with particular disabilities; and

4 (4) the availability and accessibility of dentists who
5 provide dental care to adults with disabilities, including the
6 availability of dentists who provide additional services necessary
7 for adults with particular disabilities.

8 (b) In conducting the study under Subsection (a) of this
9 section, the Health and Human Services Commission shall:

10 (1) identify the number of adults with disabilities
11 whose Medicaid benefits include limited or no dental services and
12 who, as a result, have sought medically necessary dental services
13 during an emergency room visit;

14 (2) if feasible, estimate the number of adults with
15 disabilities who are receiving services under the Medicaid program
16 and who have access to alternative sources of dental care,
17 including pro bono dental services, faith-based dental services
18 providers, and other public health care providers; and

19 (3) collect data on the receipt of dental services
20 during emergency room visits by adults with disabilities who are
21 receiving services under the Medicaid program, including the
22 reasons for seeking dental services during an emergency room visit
23 and the costs of providing the dental services during an emergency
24 room visit, as compared to the cost of providing the dental services
25 in the community.

26 (c) Not later than December 1, 2018, the Health and Human
27 Services Commission shall submit a report containing the results of

1 the study conducted under Subsection (a) of this section and the
2 commission's recommendations for improving access to dental
3 services in the community for and reducing the provision of dental
4 services during emergency room visits to adults with disabilities
5 receiving services under the Medicaid program to the governor, the
6 legislature, and the Legislative Budget Board. The report required
7 by this subsection may be combined with any other report required by
8 this Act or other law.

9 SECTION 7. Section [531.1131](#), Government Code, as amended by
10 this Act, applies only to an amount of money recovered on or after
11 the effective date of this Act. An amount of money recovered before
12 the effective date of this Act is governed by the law in effect
13 immediately before that date, and that law is continued in effect
14 for that purpose.

15 SECTION 8. If before implementing any provision of this Act
16 a state agency determines that a waiver or authorization from a
17 federal agency is necessary for implementation of that provision,
18 the agency affected by the provision shall request the waiver or
19 authorization and may delay implementing that provision until the
20 waiver or authorization is granted.

21 SECTION 9. This Act takes effect September 1, 2017.