86R1880 KFF-D

By:  Raymond H.B. No. 1470

A BILL TO BE ENTITLED

AN ACT

relating to allowing the parents or guardians of certain medically dependent children to opt out of the STAR Kids managed care program under Medicaid.

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

SECTION 1.  Section 533.0025(b), Government Code, is amended to read as follows:

(b)  Except as otherwise provided by this section and Section 533.002531 and notwithstanding any other law, the commission shall provide Medicaid acute care services through the most cost-effective model of Medicaid capitated managed care as determined by the commission.  The commission shall require mandatory participation in a Medicaid capitated managed care program for all persons eligible for Medicaid acute care benefits, but may implement alternative models or arrangements, including a traditional fee-for-service arrangement, if the commission determines the alternative would be more cost-effective or efficient.

SECTION 2.  Sections 533.00253(b) and (d), Government Code, are amended to read as follows:

(b)  Except as provided by Section 533.002531 and subject [~~Subject~~] to Section 533.0025, the commission shall operate[~~, in consultation with the Children's Policy Council established under Section 22.035, Human Resources Code, establish~~] a mandatory STAR Kids capitated managed care program tailored to provide Medicaid benefits to children with disabilities. The managed care program [~~developed~~] under this section must:

(1)  provide Medicaid benefits that are customized to meet the health care needs of recipients under the program through a defined system of care;

(2)  better coordinate care of recipients under the program;

(3)  improve the health outcomes of recipients;

(4)  improve recipients' access to health care services;

(5)  achieve cost containment and cost efficiency;

(6)  reduce the administrative complexity of delivering Medicaid benefits;

(7)  reduce the incidence of unnecessary institutionalizations and potentially preventable events by ensuring the availability of appropriate services and care management;

(8)  require a health home; and

(9)  coordinate and collaborate with long-term care service providers and long-term care management providers, if recipients are receiving long-term services and supports outside of the managed care organization.

(d)  The commission shall provide Medicaid benefits through the STAR Kids managed care program operated [~~established~~] under this section to children who are receiving benefits under the medically dependent children (MDCP) waiver program, except that the parent or guardian of a medically dependent child may opt the child out of receiving benefits through the STAR Kids managed care program in accordance with Section 533.002531.  The commission shall ensure that the STAR Kids managed care program provides all of the benefits provided under the medically dependent children (MDCP) waiver program to the extent necessary to implement this subsection.

SECTION 3.  Subchapter A, Chapter 533, Government Code, is amended by adding Section 533.002531 to read as follows:

Sec. 533.002531.  STAR KIDS MANAGED CARE PROGRAM: OPT-OUT ALTERNATIVE. (a) The commission shall provide a process by which the parent or guardian of a child receiving benefits under the medically dependent children (MDCP) waiver program may opt the medically dependent child out of receiving benefits through the STAR Kids managed care program operated under Section 533.00253 and elect instead to have the child receive benefits through a traditional fee-for-service arrangement. The commission shall ensure that any transition in the delivery of benefits to a child under this section is completed in a manner that protects continuity of care.

(b)  The parent or guardian of a medically dependent child who opts the child out of receiving benefits through the STAR Kids managed care program may not opt to return the child to receiving benefits through the STAR Kids managed care program or any other capitated managed care model for a period of at least two years.

(c)  If a parent or guardian of a medically dependent child opts the child out of receiving benefits through the STAR Kids managed care program, the commission shall monitor:

(1)  whether, after the child transitioned to the traditional fee-for-service arrangement, the child's:

(A)  utilization of benefits increased; and

(B)  wellness improved; and

(2)  the satisfaction of the child's parent or guardian with the provision of benefits under the fee-for-service arrangement.

(d)  To the same extent required under Section 533.00253(e), the commission shall ensure that there is a plan for transitioning the provision of Medicaid benefits to recipients 21 years of age or older from the fee-for-service arrangement provided under this section to the STAR + PLUS Medicaid managed care program that protects continuity of care. The plan must ensure that the coordination begins when the recipient reaches 18 years of age.

SECTION 4.  If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 5.  This Act takes effect September 1, 2019.