86R1342 KFF-D

By:  Krause H.B. No. 2539

A BILL TO BE ENTITLED

AN ACT

relating to improving the provision of Medicaid benefits to certain children, including children receiving benefits under the STAR Kids managed care program.

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

SECTION 1.  Section 531.0213(d), Government Code, is amended to read as follows:

(d)  As a part of the support and information services required by this section, the commission shall:

(1)  operate a statewide toll-free assistance telephone number that includes relay services for persons with speech or hearing disabilities and assistance for persons who speak Spanish;

(2)  intervene promptly with the state Medicaid office, managed care organizations and providers, and any other appropriate entity on behalf of a person who has an urgent need for medical services;

(3)  assist a person who is experiencing barriers in the Medicaid application and enrollment process and refer the person for further assistance if appropriate;

(4)  educate persons so that they:

(A)  understand the concept of managed care;

(B)  understand their rights under Medicaid, including grievance and appeal procedures; and

(C)  are able to advocate for themselves;

(5)  collect and maintain statistical information on a regional basis regarding calls received by the assistance lines and publish quarterly reports that:

(A)  list the number of calls received by region;

(B)  identify trends in delivery and access problems;

(C)  identify recurring barriers in the Medicaid system; and

(D)  indicate other problems identified with Medicaid managed care;

(6)  assist the state Medicaid office and managed care organizations and providers in identifying and correcting problems, including site visits to affected regions if necessary;

(7)  meet the needs of all current and future Medicaid managed care recipients, including children receiving dental benefits and other recipients receiving benefits, under the:

(A)  STAR Medicaid managed care program;

(B)  STAR+PLUS [~~STAR + PLUS~~] Medicaid managed care program, including the Texas Dual Eligibles Integrated Care Demonstration Project provided under that program;

(C)  STAR Kids managed care program established under Section 533.071 [~~533.00253~~]; and

(D)  STAR Health program;

(8)  incorporate support services for children enrolled in the child health plan established under Chapter 62, Health and Safety Code; and

(9)  ensure that staff providing support and information services receives sufficient training, including training in the Medicare program for the purpose of assisting recipients who are dually eligible for Medicare and Medicaid, and has sufficient authority to resolve barriers experienced by recipients to health care and long-term services and supports.

SECTION 2.  Subchapter B, Chapter 531, Government Code, is amended by adding Sections 531.02132, 531.0601, and 531.0602 to read as follows:

Sec. 531.02132.  EDUCATION PROGRAM FOR MEDICALLY DEPENDENT CHILDREN (MDCP) WAIVER PROGRAM. The commission shall develop an education program for the families of and care coordinators for children eligible for or receiving benefits under the medically dependent children (MDCP) waiver program that:

(1)  educates the families and care coordinators about:

(A)  the option to receive benefits under a traditional fee-for-service model under Section 32.042421, Human Resources Code, or through the STAR Kids managed care program under Section 533.071; and

(B)  the evaluation and assessment process for determining eligibility for and receiving benefits under the medically dependent children (MDCP) waiver program; and

(2)  provides information to families on the appeals process, including how to prepare for an appeal.

Sec. 531.0601.  LONG-TERM CARE SERVICES WAIVER PROGRAM INTEREST LISTS. (a) This section applies only to a child who becomes ineligible for services under the medically dependent children (MDCP) waiver program because the child no longer meets:

(1)  the level of care criteria for medical necessity for nursing facility care; or

(2)  the age requirement for the program.

(b)  A parent or guardian of a child who is notified by the commission that the child is no longer eligible for the medically dependent children (MDCP) waiver program may request that the commission:

(1)  return the child to the interest list for the program unless the child is ineligible due to the child's age; or

(2)  place the child on the interest list for another Section 1915(c) waiver program.

(c)  At the time a child's parent or guardian makes a request under Subsection (b), the commission shall:

(1)  for a child who becomes ineligible for the reason described by Subsection (a)(1), place the child:

(A)  on the interest list for the medically dependent children (MDCP) waiver program in the first position on the list; or

(B)  except as provided by Subdivision (3), on the interest list for another Section 1915(c) waiver program in a position relative to other persons on the list that is based on the date the child was initially placed on the interest list for the medically dependent children (MDCP) waiver program;

(2)  except as provided by Subdivision (3) and subject to Section 533.071(e) and Section 32.042421(b), Human Resources Code, for a child who becomes ineligible for the reason described by Subsection (a)(2), place the child on the interest list for another Section 1915(c) waiver program in a position relative to other persons on the list that is based on the date the child was initially placed on the interest list for the medically dependent children (MDCP) waiver program; or

(3)  for a child who becomes ineligible for a reason described by Subsection (a) and who is already on an interest list for another Section 1915(c) waiver program, move the child to a position on the interest list relative to other persons on the list that is based on the date the child was initially placed on the interest list for the medically dependent children (MDCP) waiver program, if that date is earlier than the date the child was initially placed on the interest list for the other waiver program.

(d)  At the time the commission provides notice to a parent or guardian that a child is no longer eligible for the medically dependent children (MDCP) waiver program, the commission shall inform the parent or guardian in writing about the options under this section for placing the child on an interest list.

Sec. 531.0602.  MEDICALLY DEPENDENT CHILDREN (MDCP) WAIVER PROGRAM REASSESSMENTS. To the extent allowed by federal law, the commission shall require that a child participating in the medically dependent children (MDCP) waiver program be reassessed to determine whether the child meets the level of care criteria for medical necessity for nursing facility care only if the child has a significant change in function that may affect the medical necessity for that level of care instead of requiring that the reassessment be made annually.

SECTION 3.  Section 533.0025(b), Government Code, is amended to read as follows:

(b)  Except as otherwise provided by this section and Section 32.042421, Human Resources Code, 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 4.  Section 533.0063(c), Government Code, is amended to read as follows:

(c)  A managed care organization participating in the STAR+PLUS [~~STAR + PLUS~~] Medicaid managed care program or STAR Kids [~~Medicaid~~] managed care program established under Section 533.071 [~~533.00253~~] shall, for a recipient in that program, issue a provider network directory for the program in paper form unless the recipient opts out of receiving the directory in paper form.

SECTION 5.  Chapter 533, Government Code, is amended by adding Subchapter C to read as follows:

SUBCHAPTER C. STAR KIDS MANAGED CARE PROGRAM

Sec. 533.072.  MEDICALLY DEPENDENT CHILD OPT-IN 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 traditional fee-for-service delivery model under Section 32.042421, Human Resources Code, and into receiving benefits through the STAR Kids managed care program operated under Section 533.071. 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)  Notwithstanding any other law, the commission shall ensure that:

(1)  the parent or guardian of a child who opts the child into receiving benefits through the STAR Kids managed care program under this section is allowed to choose the managed care plan offered under the STAR Kids managed care program into which the child is enrolled, regardless of the health care service region in which the child resides; and

(2)  a child receiving benefits through the STAR Kids managed care program under this section is not required to obtain prior authorization or a referral for the provision of specialty care.

Sec. 533.073.  MANAGED CARE ORGANIZATION STANDARDIZED POLICIES AND PROCEDURES. Notwithstanding any other law, including Section 533.005, the commission shall adopt standardized policies and procedures applicable to each managed care organization that contracts with the commission to provide health care services to recipients under the STAR Kids managed care program to ensure the provision of benefits is substantially similar across all of those managed care organizations. The commission shall adopt policies and procedures under this section that require managed care organizations, under the terms of the organizations' contracts, to implement and adhere to:

(1)  a standard prior authorization protocol, including minimum time frames for approving prior authorization requests;

(2)  standardized claims payment and appeal processes;

(3)  a standard approval process for the provision of nonemergency transportation services;

(4)  similar requirements for accessing therapy services;

(5)  a pharmacy benefit plan that complies strictly with Sections 533.005(a)(23)(A), (B), and (C) and does not impose additional requirements or restrictions on its enrolled recipients; and

(6)  a robust online recipient and provider portal that is designed to support transparency, accountability, and the coordination of services by providing the recipients and providers, as appropriate, access to evaluations and assessments, including any screening and assessment instruments, individual service plans, prior authorization requests, explanations of benefits, and referrals.

Sec. 533.074.  STANDARDS FOR DETERMINING MEDICAL NECESSITY. The commission shall establish standards that govern the processes, criteria, and guidelines under which managed care organizations determine the medical necessity of a health care service provided through the STAR Kids managed care program. In establishing standards under this section, the commission shall ensure that the treating provider or other neutral third party makes the determination of medical necessity rather than a care coordinator or other professional employed by the managed care organization.

Sec. 533.075.  PROVIDER NETWORK REQUIREMENTS. Notwithstanding any other law, the commission shall require a managed care organization that contracts with the commission to provide health care services to recipients under the STAR Kids managed care program to:

(1)  include significant traditional providers in the organization's provider network for the duration of the organization's contract with the commission; and

(2)  include at least two providers of a particular health care service in order to satisfy network adequacy requirements.

Sec. 533.076.  PROVIDER MONITORING PROGRAM. (a) Notwithstanding Section 533.005(a)(22), the commission, in consultation with the STAR Kids Managed Care Advisory Committee established under Section 533.00254 or a successor committee, the advisory committee established under Section 534.183, and other organizations with relevant expertise the commission determines appropriate, shall ensure a contract between the commission and a managed care organization to provide health care services to children receiving benefits under the medically dependent children (MDCP) waiver program through the STAR Kids managed care program in accordance with Sections 531.071(e) and 533.072 contains a requirement that the managed care organization develop a monitoring program that uses individual and consumer-based quality metrics designed specifically with the needs of the recipient population in mind for purposes of measuring the quality of health care services provided by the organization's provider network.

(b)  Based on metrics designed under Subsection (a), each managed care organization that contracts with the commission as described by that subsection shall perform evaluations and audits of the organization's provider network.

Sec. 533.077.  PROVIDER PROTECTIONS. (a) Notwithstanding any other law, the commission shall require a managed care organization that contracts with the commission to provide health care services to recipients under the STAR Kids managed care program to:

(1)  obtain the express approval of a recipient's parent or guardian before selecting a provider for the recipient or changing that provider; and

(2)  reimburse a provider for a service at a rate that is at least 75 percent of the reimbursement rate paid for the same service under the traditional fee-for-service delivery model implemented under Section 32.042421, Human Resources Code.

(b)  The commission shall establish a complaints process for providers contracting with managed care organizations that contract with the commission to provide health care services to recipients under the STAR Kids managed care program under which the providers are:

(1)  confident their complaints will be appropriately considered and resolved and will not be referred back to the managed care organization; and

(2)  protected from retaliatory action by the managed care organization.

Sec. 533.078.  REGIONAL REVIEW PANELS. (a) The commission shall establish regional review panels to review denials based on medical necessity issued by managed care organizations that contract with the commission to provide health care services under the STAR Kids managed care program. The panels must be composed of at least six but not more than eight members and must include:

(1)  the parent or guardian of a child with an intellectual or developmental disability who has complex medical needs;

(2)  an advocate for children with an intellectual or developmental disability;

(3)  a representative of primary care physicians participating in the STAR Medicaid managed care program or the STAR Kids managed care program; and

(4)  a representative of health care providers, other than primary care physicians, participating in the STAR Medicaid managed care program or the STAR Kids managed care program.

(b)  The executive commissioner or the executive commissioner's designee shall appoint a presiding member of each regional review panel established under this section.

(c)  Each regional review panel shall meet at least quarterly at the call of the presiding officer.

(d)  Each member of a regional review panel serves without compensation.

(e)  A regional review panel established under this section shall:

(1)  review denials described by Subsection (a) for which there are requests for the commission to conduct a fair hearing before the commission conducts its fair hearing;

(2)  make a determination regarding whether to uphold or overturn the denial; and

(3)  notify all parties and the commission of the regional review panel's determination under Subdivision (2).

(f)  If a regional review panel upholds a denial, the recipient or provider, as applicable, may further pursue a fair hearing with the commission. If a regional review panel overturns a denial, the managed care organization is bound by the determination but may appeal the determination to the commission.

(g)  The commission is not bound by a determination of a regional review panel under this section.

(h)  The executive commissioner shall adopt rules necessary to implement this section.

SECTION 6.  Section 533.00253, Government Code, is transferred to Subchapter C, Chapter 533, Government Code, as added by this Act, redesignated as Section 533.071, Government Code, and amended to read as follows:

Sec. 533.071  [~~533.00253~~].  STAR KIDS [~~MEDICAID~~] MANAGED CARE PROGRAM. (a)  In this section:

(1)  "Advisory committee" means the STAR Kids Managed Care Advisory Committee established under Section 533.00254 or a successor committee.

(2)  "Health home" means a primary care provider practice, or, if appropriate, a specialty care provider practice, incorporating several features, including comprehensive care coordination, family-centered care, and data management, that are focused on improving outcome-based quality of care and increasing patient and provider satisfaction under Medicaid.

(3)  "Potentially preventable event" has the meaning assigned by Section 536.001.

(b)  Except as provided by Section 32.042421, Human Resources Code, 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.

(c)  The commission may require that care management services made available as provided by Subsection (b)(7):

(1)  incorporate best practices, as determined by the commission;

(2)  integrate with a nurse advice line to ensure appropriate redirection rates;

(3)  use an identification and stratification methodology that identifies recipients who have the greatest need for services;

(4)  provide a care needs assessment for a recipient that is comprehensive, holistic, consumer-directed, evidence-based, and takes into consideration social and medical issues, for purposes of prioritizing the recipient's needs that threaten independent living;

(5)  are delivered through multidisciplinary care teams located in different geographic areas of this state that use in-person contact with recipients and their caregivers;

(6)  identify immediate interventions for transition of care;

(7)  include monitoring and reporting outcomes that, at a minimum, include:

(A)  recipient quality of life;

(B)  recipient satisfaction; and

(C)  other financial and clinical metrics determined appropriate by the commission; and

(8)  use innovations in the provision of services.

(d)  The commission shall provide Medicaid benefits through the STAR Kids managed care program operated [~~established~~] under this section to a child [~~children~~] who is [~~are~~] receiving benefits under the medically dependent children (MDCP) waiver program if the parent or guardian of the medically dependent child opts the child into receiving benefits through the STAR Kids managed care program in accordance with Section 533.072. 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.

(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 under the STAR Kids managed care program to under:

(1)  the STAR+PLUS [~~STAR + PLUS~~] Medicaid managed care program; or

(2)  if the child is receiving benefits under the medically dependent children (MDCP) waiver program and the commission determines it is more appropriate, another Medicaid waiver program, as defined by Section 534.001.

(f)  The commission shall ensure that the plan described by Subsection (e):

(1)  protects the recipient's continuity of care;

(2)  if applicable and to the maximum extent possible, avoids placing a recipient on an interest list for a Medicaid waiver program, as defined by Section 534.001; and

(3)  provides for[~~.  The plan must ensure that~~] coordination between the STAR Kids managed care program and the STAR+PLUS Medicaid managed care program or other Medicaid waiver program beginning [~~programs begins~~] when a recipient reaches 18 years of age.

SECTION 7.  Section 533.00254(f), Government Code, is amended to read as follows:

(f)  On the first anniversary of the date the commission completes implementation of the STAR Kids [~~Medicaid~~] managed care program under Section 533.071 [~~533.00253~~]:

(1)  the advisory committee is abolished; and

(2)  this section expires.

SECTION 8.  Section 533.0063(c), Government Code, is amended to read as follows:

(c)  A managed care organization participating in the STAR+PLUS [~~STAR + PLUS~~] Medicaid managed care program or STAR Kids [~~Medicaid~~] managed care program operated [~~established~~] under Section 533.071 [~~533.00253~~] shall, for a recipient in that program, issue a provider network directory for the program in paper form unless the recipient opts out of receiving the directory in paper form.

SECTION 9.  Chapter 534, Government Code, is amended by adding Subchapter D-1 to read as follows:

SUBCHAPTER D-1. ALTERNATIVE SERVICE DELIVERY PILOT PROGRAM

Sec. 534.181.  DEFINITIONS. In this subchapter:

(1)  "Health care service region" has the meaning assigned by Section 533.001.

(2)  "Pilot program" means the pilot program implemented under this subchapter.

Sec. 534.182.  ALTERNATIVE SERVICE DELIVERY PILOT PROGRAM IMPLEMENTATION. (a) The commission shall develop and implement a pilot program to test alternative methods for delivering Medicaid benefits to children with an intellectual or developmental disability, including children receiving benefits under the medically dependent children (MDCP) waiver program, who are otherwise receiving some or all of those benefits through the STAR Medicaid managed care program or the STAR Kids managed care program. The commission shall design the pilot program in a manner that allows the commission to determine whether the alternative delivery methods:

(1)  achieve cost savings and efficiencies in the delivery of Medicaid acute care services and long-term services and supports; and

(2)  improve the quality of and access to the services described by Subdivision (1).

(b)  The pilot program must:

(1)  be conducted in each health care service region of this state, begin not later than September 1, 2020, and operate for at least 24 months;

(2)  include a total of at least 2,000 Medicaid recipients receiving benefits under the STAR Medicaid managed care program, and a total of at least 2,000 Medicaid recipients receiving benefits under the STAR Kids managed care program; and

(3)  be designed in a manner that ensures continuity of care and the receipt of Medicaid acute care services and long-term services and supports for program participants.

(c)  Recipient participation in the pilot program must be voluntary.

Sec. 534.183.  ADVISORY COMMITTEE. (a) In developing the pilot program, the executive commissioner shall seek input from stakeholders by establishing an advisory committee to make recommendations to the commission on pilot program goals, outcome measures, and evaluation processes.

(b)  The advisory committee must be composed of at least eight members who have expertise in and knowledge of the care needs of potential pilot program participants, including:

(1)  a representative of the commission;

(2)  the parent or guardian of a child with an intellectual or developmental disability who has complex medical needs;

(3)  an advocate for children with an intellectual or developmental disability;

(4)  a representative of primary care physicians participating in the STAR Medicaid managed care program or the STAR Kids managed care program; and

(5)  a representative of health care providers, other than primary care physicians, participating in the STAR Medicaid managed care program or the STAR Kids managed care program.

(c)  The executive commissioner shall appoint a member of the advisory committee as the presiding officer.

(d)  The advisory committee shall meet at least quarterly at the call of the presiding officer.

(e)  A member of the advisory committee serves without compensation.

(f)  The advisory committee is subject to the requirements of Chapter 551.

Sec. 534.184.  REPORTING REQUIREMENT. (a) The commission shall conduct an initial evaluation of the pilot program and submit a written report on that evaluation not later than September 1, 2021, to:

(1)  the legislature, including the standing committees of the house of representatives and senate having primary jurisdiction over Medicaid;

(2)  the advisory committee established under Section 534.183; and

(3)  the STAR Kids Managed Care Advisory Committee established under Section 533.00254 or a successor committee.

(b)  The commission shall conduct a final evaluation of the pilot program and submit a written report on that evaluation to the entities described under Subsection (a) not later than September 1, 2022.

(c)  Each evaluation required under this section must include:

(1)  an evaluation of the success of the pilot program in achieving the program's goals; and

(2)  recommendations for legislation that identify any statutory requirements that are impairing the success of the program or that may impair permanent implementation of a program delivery model.

Sec. 534.185.  MORATORIUM ON IMPLEMENTATION OF CERTAIN LAW. Notwithstanding any other law, including Subchapter E, the commission may not expand on or after December 1, 2019, the delivery of Medicaid acute care services or long-term services and supports to children with an intellectual or developmental disability under the STAR Medicaid managed care program or the STAR Kids managed care program until the commission submits to the legislature the report on the final evaluation required under Section 534.184.

Sec. 534.186.  EXPIRATION. This subchapter expires September 1, 2022.

SECTION 10.  Section 32.0212, Human Resources Code, is amended to read as follows:

Sec. 32.0212.  DELIVERY OF MEDICAL ASSISTANCE. Except as provided by Section 32.042421 and notwithstanding [~~Notwithstanding~~] any other law [~~and subject to Section 533.0025, Government Code~~], the commission shall provide medical assistance for acute care services through the Medicaid managed care system in accordance with [~~implemented under~~] Chapter 533, Government Code, or another Medicaid capitated managed care program.

SECTION 11.  Subchapter B, Chapter 32, Human Resources Code, is amended by adding Section 32.042421 to read as follows:

Sec. 32.042421.  DELIVERY OF MEDICAL ASSISTANCE TO CERTAIN RECIPIENTS UNDER THE MEDICALLY DEPENDENT CHILDREN (MDCP) WAIVER PROGRAM. (a) The commission shall establish a program to provide medical assistance benefits under a traditional fee-for-service delivery model to a recipient who is a child receiving benefits under the medically dependent children (MDCP) waiver program, including a recipient who is a participant in the health insurance premium payment program under Section 32.0422.

(b)  To the same extent required under Section 533.071(e), Government Code, 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 delivery model provided under this section to the STAR+PLUS Medicaid managed care program or, if appropriate, a Medicaid waiver program, as defined by Section 534.001, Government Code, that protects continuity of care. The plan must ensure that the coordination begins when the recipient reaches 18 years of age.

(c)  The executive commissioner shall adopt rules necessary to implement this section.

SECTION 12.  As soon as practicable after the effective date of this Act, the Health and Human Services Commission shall conduct a study to identify incentives the commission could implement to increase the number of physicians and other health care providers contracting with managed care organizations to provide services to children with complex medical needs who are recipients under Medicaid. Not later than December 1, 2021, the commission shall submit a report of its findings under the study to the standing committees of the house of representatives and senate having primary jurisdiction over the Medicaid program.

SECTION 13.  (a) As soon as possible after the effective date of this Act, the Health and Human Services Commission shall identify each child who became ineligible for services under the medically dependent children (MDCP) waiver program on or after June 1, 2016, and before the effective date of this Act.

(b)  Section 531.0601, Government Code, as added by this Act, applies to:

(1)  a child who becomes ineligible for the medically dependent children (MDCP) waiver program on or after the effective date of this Act; and

(2)  a child identified under Subsection (a) of this section.

SECTION 14.  Section 531.0602, Government Code, as added by this Act, applies only to a reassessment of a child's eligibility for the medically dependent children (MDCP) waiver program made on or after the effective date of this Act.

SECTION 15.  Not later than December 1, 2019, the executive commissioner of the Health and Human Services Commission shall establish the advisory committee required by Section 534.183, Government Code, as added by this Act.

SECTION 16.  (a) Not later than September 1, 2020, and subject to Subsections (b) and (c) of this section, the Health and Human Services Commission shall:

(1)  adopt the standardized policies and procedures required by Section 533.073, Government Code, as added by this Act, for managed care organizations participating in the STAR Kids managed care program;

(2)  establish the standards for determining medical necessity required by Section 533.074, Government Code, as added by this Act, and applicable to managed care organizations participating in the STAR Kids managed care program;

(3)  implement the provider protections required under Section 533.077, Government Code, as added by this Act; and

(4)  establish the regional review panels required by Section 533.078, Government Code, as added by this Act.

(b)  The Health and Human Services Commission shall ensure that a contract between the commission and a managed care organization to provide Medicaid benefits to recipients under the STAR Kids managed care program operated under Section 533.071, Government Code, as transferred, redesignated, and amended by this Act, that is entered into or renewed on or after the effective date of this Act complies with the provisions of Subchapter C, Chapter 533, Government Code, as added by this Act.

(c)  The Health and Human Services Commission shall seek to amend contracts entered into with managed care organizations to provide Medicaid benefits to recipients under the STAR Kids managed care program operated under Section 533.071, Government Code, as transferred, redesignated, and amended by this Act, before the effective date of this Act to ensure those contracts comply with the provisions of Subchapter C, Chapter 533, Government Code, as added by this Act. To the extent of a conflict between a provision of that subchapter and a term of a contract with a managed care organization entered into before the effective date of this Act, the contract provision prevails.

SECTION 17.  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 18.  This Act takes effect September 1, 2019.