

Amend **CSSB 1** (house committee printing) in Article II of the bill, following the appropriations to the Health and Human Services Commission (page II-47), by adding the following appropriately numbered rider and renumbering subsequent riders accordingly:

\_\_\_\_. Utilization of Federal Relief Dollars for Medicaid Home and Community Based Services Programs. It is the intent of the legislature that any federal funds provided to the Health and Human Services Commission (HHSC) for the provision of home and community-based services (HCBS) in the Families First Coronavirus Relief Act (FFCRA), Coronavirus Aid, Relief, and Economic Security (CARES) Act, the American Rescue Plan Act of 2021, or any other federal COVID-19 relief bill be subject to the following conditions:

(a) HHSC shall only expend such funds on Medicaid initiatives that:

(1) directly increase access to care, including direct service provisions, rate increases for all providers of direct services, supplies, and equipment;

(2) increasing waiver and emergency diversion slots and decreasing interest lists;

(3) funding of new and existing state laws governing the operation or implementation of the Medicaid program;

(4) exploring opportunities to draw additional federal funding provided by the Advancing Care for Exceptional (ACE) Kids Act; and

(5) achieving full compliance with federal law and regulations governing HCBS, including federal HCBS settings rules.

(b) HHSC shall ensure funds identified for provider rate increases are directly reimbursed to providers of direct services, supplies, and equipment;

(c) HHSC shall ensure that managed care organizations reimburse the full amount of funds referenced under Subsection (a)(1) to providers of direct services, supplies, and equipment;

(d) HHSC shall not use or expend funds directly or indirectly for payroll of any kind, contract administration, or administrative services provided by managed care organizations. Funds identified for provider rate increases may not be used

directly or indirectly for administrative services, payroll, bonuses, or costs unallowable under state or federal law or regulation or the Uniform Managed Care Contract; and

(e) HHSC shall only use these funds for the purposes set out in this provision to supplement, not supplant, state dollars appropriated for the operation of the Medicaid program.