Amend **SB 1648** (house committee printing) by adding the following appropriately numbered SECTION and renumbering subsequent SECTIONS accordingly:

SECTION ____. Sections 531.024164(b) and (f), Government Code, are amended to read as follows:

(b) The commission, as soon as practicable following a <u>competitive request for proposal process</u>, shall contract with <u>one</u> [an] independent external medical reviewer to conduct external medical reviews and review:

(1) the resolution of a Medicaid recipient appeal related to a reduction in or denial of services on the basis of medical necessity in the Medicaid managed care program; or

(2) a denial by the commission of eligibility for a Medicaid program in which eligibility is based on a Medicaid recipient's medical and functional needs.

(f) A Medicaid recipient or applicant, or the recipient's or applicant's parent or legally authorized representative, must affirmatively request an external medical review, except that the <u>Medicaid managed care organization shall promptly forward to the</u> <u>external medical reviewer for external medical review any appeal</u> <u>determination that is adverse to the recipient or applicant in the</u> <u>STAR Health program</u>. If requested <u>or forwarded</u>:

(1) an external medical review described by Subsection (b)(1) occurs after the internal Medicaid managed care organization appeal and before the Medicaid fair hearing and is granted when a Medicaid recipient contests the internal appeal decision of the Medicaid managed care organization; and

(2) an external medical review described by Subsection(b)(2) occurs after the eligibility denial and before the Medicaid fair hearing.

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