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By:  Parker H.B. No. 2164

A BILL TO BE ENTITLED

AN ACT

relating to efficiency audits of the Health and Human Services Commission.

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

SECTION 1.  Subchapter A, Chapter 531, Government Code, is amended by adding Section 531.005521 to read as follows:

Sec. 531.005521.  EFFICIENCY AUDIT. (a) For purposes of this section, "efficiency audit" means an investigation of the operations of the commission to examine fiscal management, efficiency, implementation of programs the commission administers and the incidence of fraud, waste, and abuse in those programs, and utilization of resources.

(b)  In 2022 and every sixth year after that year, an external auditor selected under Subsection (f) shall conduct an efficiency audit.

(c)  In a year in which an efficiency audit is completed as required by this section, the efficiency audit satisfies the commission's annual internal audit requirements under Section 531.00552.

(d)  The commission shall pay the costs associated with an efficiency audit required under this section using existing resources.

(e)  The state auditor shall ensure that the external auditor conducts the efficiency audit in accordance with the requirements of this section.

(f)  Not later than March 1 of the year in which an efficiency audit is required under this section, the state auditor shall select an external auditor to conduct the efficiency audit.

(g)  The external auditor shall be independent of the commission's direction.

(h)  The external auditor shall complete the audit not later than the 90th day after the date the auditor is selected.

(i)  The Legislative Budget Board shall establish the scope of the efficiency audit and determine the areas of investigation for the audit, including:

(1)  reviewing the commission's resources to determine whether those resources:

(A)  are being used effectively and efficiently to achieve desired outcomes for individuals receiving benefits under a program the commission administers; and

(B)  are not being used for purposes other than the intended goals of the applicable program;

(2)  identifying cost savings or reallocations of resources;

(3)  identifying opportunities for improving services through consolidation of essential functions, outsourcing, and elimination of duplicative efforts; and

(4)  identifying whether the commission administers each program in a manner consistent with any stated legislative intent, if applicable.

(j)  Not later than November 1 of the year an efficiency audit is conducted, the external auditor shall prepare and submit a report of the audit and recommendations for efficiency improvements to the governor, the Legislative Budget Board, the state auditor, the executive commissioner, and the chairs of the House Human Services Committee and the Senate Health and Human Services Committee. The executive commissioner and the state auditor shall publish the report, recommendations, and full audit on the commission's and the state auditor's Internet websites.

SECTION 2.  This Act takes effect September 1, 2021.