

By: Buckley, Shine, Kacal, Talarico

H.B. No. 3662

A BILL TO BE ENTITLED

AN ACT

relating to the award of health plan provider contracts under the Medicaid managed care program.

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

SECTION 1. Section 533.004(a), Government Code, is amended to read as follows:

(a) In providing health care services through Medicaid managed care to recipients in a health care service region, the commission shall contract with a managed care organization in that region that is licensed under Chapter 843, Insurance Code, if subject to that chapter, to provide health care in that region and that is:

(1) wholly owned and operated by a hospital district in that region;

(2) created by a nonprofit corporation that:

(A) has a contract, agreement, or other arrangement with a hospital district in that region or with a municipality in that region that owns a hospital licensed under Chapter 241, Health and Safety Code, and has an obligation to provide health care to indigent patients; and

(B) under the contract, agreement, or other arrangement, assumes the obligation to provide health care to indigent patients and leases, manages, or operates a hospital facility owned by the hospital district or municipality; [~~or~~]

1 (3) created by a nonprofit corporation that has a
2 contract, agreement, or other arrangement with a hospital district
3 in that region under which the nonprofit corporation acts as an
4 agent of the district and assumes the district's obligation to
5 arrange for services under the Medicaid expansion for children as
6 authorized by Chapter 444, Acts of the 74th Legislature, Regular
7 Session, 1995; or

8 (4) if the commission does not have an existing
9 contract with a managed care organization in a health care service
10 region under Subdivision (1), (2), or (3) on September 1, 2021,
11 wholly owned by a provider-sponsored health organization that owns
12 and operates:

13 (A) two trauma facilities designated as level I
14 trauma facilities by the Department of State Health Services under
15 Section 773.115, Health and Safety Code, that are located in
16 different trauma service areas; and

17 (B) a hospital licensed under Chapter 241, Health
18 and Safety Code, that is located in the health care service region.

19 SECTION 2. The changes in law made by this Act apply only to
20 the award of a contract by the Health and Human Services Commission
21 on or after the effective date of this Act.

22 SECTION 3. If before implementing any provision of this Act
23 a state agency determines that a waiver or authorization from a
24 federal agency is necessary for implementation of that provision,
25 the agency affected by the provision shall request the waiver or
26 authorization and may delay implementing that provision until the
27 waiver or authorization is granted.

1 SECTION 4. This Act takes effect immediately if it receives
2 a vote of two-thirds of all the members elected to each house, as
3 provided by Section 39, Article III, Texas Constitution. If this
4 Act does not receive the vote necessary for immediate effect, this
5 Act takes effect September 1, 2021.