By: Kolkhorst S.B. No. 1136

## A BILL TO BE ENTITLED

AN ACT

- 2 relating to implementation of certain health care provider
- 3 initiatives and measures designed to reduce costs and improve
- 4 recipient health outcomes under Medicaid.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 6 SECTION 1. Section 531.085, Government Code, is amended to
- 7 read as follows:
- 8 Sec. 531.085. HOSPITAL EMERGENCY ROOM USE REDUCTION
- 9 INITIATIVES. (a) The commission shall develop and implement a
- 10 comprehensive plan to reduce the use of hospital emergency room
- 11 services by recipients under Medicaid. The plan may include:
- 12 (1) a pilot program designed to facilitate program
- 13 participants in accessing an appropriate level of health care,
- 14 which may include as components:
- 15 (A) providing program participants access to
- 16 bilingual health services providers; and
- 17 (B) giving program participants information on
- 18 how to access primary care physicians, advanced practice registered
- 19 nurses, and local health clinics;
- 20 (2) a pilot program under which health care providers,
- 21 other than hospitals, are given financial incentives for treating
- 22 recipients outside of normal business hours to divert those
- 23 recipients from hospital emergency rooms;
- 24 (3) payment of a nominal referral fee to hospital

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- 1 emergency rooms that perform an initial medical evaluation of a
- 2 recipient and subsequently refer the recipient, if medically
- 3 stable, to an appropriate level of health care, such as care
- 4 provided by a primary care physician, advanced practice registered
- 5 nurse, or local clinic;
- 6 (4) a program under which the commission or a managed
- 7 care organization that enters into a contract with the commission
- 8 under Chapter 533 contacts, by telephone or mail, a recipient who
- 9 accesses a hospital emergency room three times during a six-month
- 10 period and provides the recipient with information on ways the
- 11 recipient may secure a medical home to avoid unnecessary treatment
- 12 at hospital emergency rooms;
- 13 (5) a health care literacy program under which the
- 14 commission develops partnerships with other state agencies and
- 15 private entities to:
- 16 (A) assist the commission in developing
- 17 materials that:
- 18 (i) contain basic health care information
- 19 for parents of young children who are recipients under Medicaid and
- 20 who are participating in public or private child-care or
- 21 prekindergarten programs, including federal Head Start programs;
- 22 and
- (ii) are written in a language
- 24 understandable to those parents and specifically tailored to be
- 25 applicable to the needs of those parents;
- 26 (B) distribute the materials developed under
- 27 Paragraph (A) to those parents; and

- 1 (C) otherwise teach those parents about the
- 2 health care needs of their children and ways to address those needs;
- 3 and
- 4 (6) other initiatives developed and implemented in
- 5 other states that have shown success in reducing the incidence of
- 6 unnecessary treatment in hospital emergency rooms.
- 7 (b) The commission shall coordinate with hospitals and
- 8 other providers that receive supplemental payments under the
- 9 uncompensated care payment program operated under the Texas Health
- 10 Care Transformation and Quality Improvement Program waiver issued
- 11 under Section 1115 of the federal Social Security Act (42 U.S.C.
- 12 Section 1315) to identify and implement initiatives based on best
- 13 practices and models that are designed to reduce Medicaid
- 14 recipients' use of hospital emergency room services as a primary
- 15 means of receiving health care benefits, including initiatives
- 16 <u>designed to improve recipients' access to and use of primary care</u>
- 17 providers.
- 18 SECTION 2. Subchapter B, Chapter 531, Government Code, is
- 19 amended by adding Section 531.0862 to read as follows:
- Sec. 531.0862. CONTINUED IMPLEMENTATION OF CERTAIN
- 21 <u>INTERVENTIONS AND BEST PRACTICES BY PROVIDERS; BIANNUAL REPORT.</u>
- 22 (a) The commission shall encourage Medicaid providers to continue
- 23 implementing effective interventions and best practices associated
- 24 with improvements in the health outcomes of Medicaid recipients
- 25 that were developed and achieved under the Delivery System Reform
- 26 Incentive Payment (DSRIP) program previously operated under the
- 27 Texas Health Care Transformation and Quality Improvement Program

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- 1 waiver issued under Section 1115 of the federal Social Security Act
- 2 (42 U.S.C. Section 1315), through:
- 3 (1) existing provider incentive programs and the
- 4 creation of new provider incentive programs;
- 5 (2) the terms included in contracts with Medicaid
- 6 managed care organizations;
- 7 (3) implementation of alternative payment models; or
- 8 (4) adoption of other cost-effective measures.
- 9 (b) The commission shall biannually prepare and submit a
- 10 report to the legislature that contains a summary of the
- 11 commission's efforts under this section and Section 531.085(b).
- 12 SECTION 3. If before implementing any provision of this Act
- 13 a state agency determines that a waiver or authorization from a
- 14 federal agency is necessary for implementation of that provision,
- 15 the agency affected by the provision shall request the waiver or
- 16 authorization and may delay implementing that provision until the
- 17 waiver or authorization is granted.
- SECTION 4. This Act takes effect September 1, 2021.