

By: Oliverson, Burrows, Jetton, Shaheen,
Noble, et al.

H.B. No. 2401

Substitute the following for H.B. No. 2401:

By: Shaheen

C.S.H.B. No. 2401

A BILL TO BE ENTITLED

AN ACT

relating to the repeal of certain contracting requirements under
the Medicaid managed care delivery model.

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

SECTION 1. Section 533.003(a), Government Code, is amended
to read as follows:

(a) In awarding contracts to managed care organizations,
the commission shall:

(1) give preference to organizations that have
significant participation in the organization's provider network
from each health care provider in the region who has traditionally
provided care to Medicaid and charity care patients;

(2) give extra consideration to organizations that
agree to assure continuity of care for at least three months beyond
the period of Medicaid eligibility for recipients;

(3) consider the need to use different managed care
plans to meet the needs of different populations;

(4) consider the ability of organizations to process
Medicaid claims electronically; and

(5) in the initial implementation of managed care in
the South Texas service region, give extra consideration to an
organization that ~~[either,~~

~~[(A)]~~ is locally owned, managed, and operated, if
one exists~~[, or~~

1 ~~[(B) is in compliance with the requirements of~~
2 ~~Section 533.004]~~.

3 SECTION 2. Section 533.004, Government Code, is repealed.

4 SECTION 3. The changes in law made by this Act apply only to
5 a contract awarded by the Health and Human Services Commission that
6 is fully executed and has not reached its operational start date on
7 or after the effective date of this Act.

8 SECTION 4. If before implementing any provision of this Act
9 a state agency determines that a waiver or authorization from a
10 federal agency is necessary for implementation of that provision,
11 the agency affected by the provision shall request the waiver or
12 authorization and may delay implementing that provision until the
13 waiver or authorization is granted.

14 SECTION 5. This Act takes effect immediately if it receives
15 a vote of two-thirds of all the members elected to each house, as
16 provided by Section 39, Article III, Texas Constitution. If this
17 Act does not receive the vote necessary for immediate effect, this
18 Act takes effect September 1, 2023.