

SENATE AMENDMENTS

2nd Printing

By: Price, Noble, Ashby

H.B. No. 4169

A BILL TO BE ENTITLED

AN ACT

relating to providing prevocational or similar services under certain Medicaid waiver programs.

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

SECTION 1. Subchapter B, Chapter 32, Human Resources Code, is amended by adding Section 32.0755 to read as follows:

Sec. 32.0755. PREVOCATIONAL SERVICES UNDER CERTAIN WAIVER PROGRAMS. (a) In this section, "prevocational services" means services that are designed to prepare an individual for paid or unpaid work and achieve a generalized result rather than being job-task oriented.

(b) Prevocational services provided under the community living assistance and support services (CLASS) waiver program or another medical assistance waiver program providing long-term services or supports to a medical assistance recipient must be designed to assist the recipient in achieving permanent integrated employment receiving compensation at or above the minimum wage in the recipient's community and in accordance with state and federal law.

(c) The commission shall seek a waiver or other necessary authorization from the appropriate federal agency to include prevocational services as part of the individualized skills and socialization services delivered under a medical assistance waiver program providing long-term services and supports.

1 (d) If the commission's request for a waiver or other
2 authorization under Subsection (c) is not granted, the commission
3 shall collaborate with relevant stakeholders and applicable
4 federal agencies to establish a service similar to prevocational
5 services in a manner that is authorized by federal law.

6 (e) If the commission is granted a waiver or other
7 authorization under Subsection (d):

8 (1) the reimbursement rate for the service the
9 commission establishes under that subsection may not exceed the
10 reimbursement rate for individualized skills and socialization
11 services; and

12 (2) if the service is combined with individualized
13 skills and socialization services, the commission shall ensure the
14 service may not exceed the total allowable hours or the total costs
15 for individualized skills and socialization services provided
16 under a service plan.

17 (f) The executive commissioner by rule shall establish
18 clearly stated, service-related performance standards applicable
19 to providers providing prevocational or similar services to
20 recipients under a medical assistance waiver program in accordance
21 with this section. The commission shall monitor the performance of
22 each provider of prevocational or similar services under a medical
23 assistance waiver program to ensure compliance with those
24 standards.

25 SECTION 2. (a) As soon as practicable after the effective
26 date of this Act, the Health and Human Services Commission shall
27 apply for and actively pursue from the appropriate federal agency

1 the waiver or other authorization required by Section 32.0755(c),
2 Human Resources Code, as added by this Act. The commission may
3 delay implementing other provisions of this Act until the waiver or
4 other authorization applied for under that subsection is granted.

5 (b) If the waiver or other authorization under Section
6 32.0755(c), Human Resources Code, as added by this Act, is not
7 granted, the Health and Human Services Commission shall, not later
8 than the 60th day after the date the waiver or other authorization
9 is denied, apply for a waiver or other authorization under Section
10 32.0755(d), Human Resources Code, as added by this Act.

11 SECTION 3. This Act takes effect immediately if it receives
12 a vote of two-thirds of all the members elected to each house, as
13 provided by Section 39, Article III, Texas Constitution. If this
14 Act does not receive the vote necessary for immediate effect, this
15 Act takes effect September 1, 2023.

ADOPTED

✓✓
MAY 23 2023

FLOOR AMENDMENT NO. 1

Lately
Secretary of the Senate

[Signature]

1 Amend H.B. No. 4169 (senate committee report) in SECTION 1 of
2 the bill, in added Section 32.0755(b), Human Resources Code (page
3 1, lines 29 through 36), by striking "must be designed to assist the
4 recipient in achieving permanent integrated employment" and
5 substituting "should be designed to assist the recipient in
6 achieving competitive integrated employment in the community".

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 24, 2023

TO: Honorable Dade Phelan, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4169 by Price (Relating to providing prevocational or similar services under certain Medicaid waiver programs.), **As Passed 2nd House**

The fiscal implications of the bill cannot be determined due to the uncertainty in required federal approval and the impact it would have on the implementation of prevocational services.

The bill would define prevocational services under certain waiver programs as services designed to assist a recipient in achieving competitive integrated employment in the community.

The bill would require the Health and Human Services Commission (HHSC) to seek a waiver to include prevocational services as a part of the individualized skills and socialization (ISS) services delivered under a waiver program providing long-term services and supports. If the waiver request is not granted, HHSC would be required to establish a similar service authorized by federal law. If the waiver or authorization is granted, HHSC would establish a reimbursement rate for the services. The bill would also require HHSC to establish and monitor clearly stated performance standards applicable to providers providing prevocational or similar services.

According to information provided by HHSC, additional staff would be needed to comply with the bill. However, the number of full-time equivalent (FTE) positions, technology updates, and client services costs associated with implementing the bill would be dependent on guidance from Centers for Medicare and Medicaid Services (CMS). The costs would be impacted by whether prevocational services are approved to be provided as a part of ISS or if a separate prevocational service would be required.

The costs associated with implementing the bill cannot be determined due to the uncertainty regarding federal approval and the implementation of the services outlined in the bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: JMc, NPe, ER, CST

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 16, 2023

TO: Honorable Lois W. Kolkhorst, Chair, Senate Committee on Health & Human Services

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4169 by Price (Relating to providing prevocational or similar services under certain Medicaid waiver programs.), **As Engrossed**

The fiscal implications of the bill cannot be determined due to the uncertainty in required federal approval and the impact it would have on the implementation of prevocational services.

The bill would define prevocational services under certain waiver programs as services designed to prepare an individual for paid or unpaid work and achieve a generalized result rather than being job-task oriented.

The bill would require the Health and Human Services Commission (HHSC) to seek a waiver to include prevocational services as a part of the individualized skills and socialization (ISS) services delivered under a waiver program providing long-term services and supports. If the waiver request is not granted, HHSC would be required to establish a similar service authorized by federal law. If the waiver or authorization is granted, HHSC would establish a reimbursement rate for the services. The bill would also require HHSC to establish and monitor clearly stated performance standards applicable to providers providing prevocational or similar services.

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The costs associated with implementing the bill cannot be determined due to the uncertainty regarding federal approval and the implementation of the services outlined in the bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: JMc, NPe, ER, CST

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 30, 2023

TO: Honorable James B. Frank, Chair, House Committee on Human Services

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4169 by Price (relating to providing prevocational or similar services under certain Medicaid waiver programs.), **Committee Report 1st House, Substituted**

The fiscal implications of the bill cannot be determined due to the uncertainty in required federal approval and the impact it would have on the implementation of prevocational services.

The bill would define prevocational services under certain waiver programs as services designed to prepare an individual for paid or unpaid work and achieve a generalized result rather than being job-task oriented and assist in achieving permanent integrated employment.

The bill would require the Health and Human Services Commission (HHSC) to seek a waiver to include prevocational services as a part of the individualized skills and socialization (ISS) services delivered under a waiver program providing long-term services and supports. If the waiver request is not granted, HHSC would be required to establish a similar service authorized by federal law. If the waiver or authorization is granted, HHSC would establish a reimbursement rate for the services.

According to information provided by HHSC, additional staff would be needed to comply with the bill. However, the number of full-time equivalent (FTE) positions, technology updates, and client services costs associated with implementing the bill would be dependent on guidance from Centers for Medicare and Medicaid Services (CMS). The costs would be impacted by whether prevocational services are approved to be provided as a part of ISS or if a separate prevocational service would be required.

The costs associated with implementing the bill cannot be determined due to the uncertainty regarding federal approval and the implementation of the services outlined in the bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: JMc, NPe, ER, CST

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 21, 2023

TO: Honorable James B. Frank, Chair, House Committee on Human Services

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4169 by Price (Relating to providing prevocational services under certain Medicaid waiver programs.), **As Introduced**

No fiscal implication to the State is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: JMc, NPe, ER, CST