

BILL ANALYSIS

Senate Research Center

H.B. 26
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Health & Human Services
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, medical nutritional counseling is a Medicaid benefit provided to children with certain diseases who are referred for medically necessary nutritional counseling, a service offered by practicing licensed dietitians who are enrolled as Medicaid providers. However, the adult Medicaid population and children diagnosed with other diseases for whom nutritional counseling might improve health outcomes, decrease the risk of chronic disease, and decrease utilization of the healthcare system, are left without this same access to nutritional counseling. The federal Centers for Medicare and Medicaid Services (CMS) approves states to offer certain Medicaid services in lieu of other benefits if it can be demonstrated that the services are medically appropriate and more cost-effective than offering covered benefits. Currently, state law directs the Health and Human Services Commission (HHSC) to offer in-lieu-of services (ILOS) for mental health or substance use programs. ILOS are optional for Medicaid managed care organizations (MCOs) to provide, optional for Medicaid clients to participate in, and must be determined to be cost-effective with approval by CMS.

H.B. 26 seeks to direct HHSC to permit Medicaid MCOs to provide nutritional counseling and instruction services in lieu of other services if determined to be medically appropriate and cost-effective. The bill excludes from nutritional counseling and instruction services any service that includes home-delivered meals, food prescriptions, or grocery support.

H.B. 26 amends current law relating to requiring contracts with Medicaid managed care organizations to permit the organizations to offer nutrition support services in lieu of other state Medicaid plan services.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 540.0272, Government Code, as effective April 1, 2025, as follows:

Sec. 540.0272. New heading: CERTAIN SERVICES PERMITTED IN LIEU OF STATE MEDICAID PLAN SERVICES; ANNUAL REPORT. (a) Creates this subsection from existing text. Requires that a contract to which Subchapter F (Required Contract Provisions) applies contain language permitting the contracting Medicaid managed care organization to offer medically appropriate, cost-effective, evidence-based mental health or substance use services or nutrition support services from a list of services approved by the state Medicaid managed care advisory committee and included in the contract in lieu of services, rather than mental health or substance use disorder services, specified in the state Medicaid plan. Makes a conforming change.

(b) Creates this subsection from existing text. Requires the Health and Human Services Commission (HHSC) to perform certain actions.

(c) Requires the state Medicaid managed care advisory committee, in approving the list of nutrition support services that are permitted in lieu of services specified in the state Medicaid plan under this section, to ensure the list includes nutrition counseling and instruction and other nutrition support services provided to a recipient for a limited duration, as HHSC determines, in coordination with nutrition counseling and instruction.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Requires a state agency, if necessary for implementation of a provision of this Act, to request a waiver or authorization from a federal agency, and authorizes delay of implementation until such a waiver or authorization is granted.

SECTION 4. Effective date: September 1, 2025.