

BILL ANALYSIS

S.B. 1266
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Human Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The bill sponsor has informed the committee that Medicaid provider enrollment and credentialing processes have been significantly delayed for thousands of Texas Medicaid providers, with little explanation on the part of the certifying entity, the Texas Medicaid and Healthcare Partnership, resulting in delayed care and significant costs to Medicaid providers. The bill sponsor has also informed the committee that, according to the Health and Human Services Commission (HHSC), as of December 2024, there were nearly 9,000 Medicaid provider applications processing for more than 60 days and that this is a result of a new provider enrollment system that was developed by a contractor without user testing. S.B. 1266 seeks to reduce the administrative burdens associated with Medicaid provider enrollment and credentialing processes by requiring HHSC to ensure that providers have access to a support team for the centralized Internet portal through which providers may complete those processes.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Health and Human Services Commission in SECTION 3 of this bill.

ANALYSIS

S.B. 1266 amends the Government Code to require the Health and Human Services Commission (HHSC) to ensure that providers have access to a support team for the centralized Internet portal providing a consolidated Medicaid provider enrollment and credentialing process that assists current and prospective Medicaid providers in completing those processes and reduces the administrative burdens associated with those processes. The bill requires HHSC to take the following actions:

- annually evaluate the performance of the support team, including the timeliness of assistance the support team provides; and
- not later than September 1 of each year, post on the HHSC website a report summarizing the results of the evaluation.

The bill requires HHSC to conduct the initial evaluation and post the report summarizing the results of the evaluation not later than September 1, 2026.

S.B. 1266 requires HHSC, for purposes of improving HHSC's Medicaid provider enrollment and credentialing processes, to develop a procedure by which a provider may electronically submit complaints and feedback about those processes and the support provided by the support team. Information about the procedure must be prominently posted on HHSC's or the HHSC designee's website in the same location that instructions and resources for using the Internet

portal are posted and must allow a provider to submit a complaint or provide feedback through an electronic form from that location.

S.B. 1266 requires HHSC, before HHSC may disenroll a Medicaid provider for failing to complete the enrollment revalidation process, to do the following:

- not later than 30 days before the date of disenrollment provide electronically and by mail to the provider written notice of HHSC's disenrollment determination; and
- allow the provider to address any deficiencies in the provider's application for revalidation of enrollment before the date the provider will be disenrolled.

S.B. 1266 requires HHSC, as soon as possible after the bill's effective date, to ensure the Internet portal support team is established and to adopt rules necessary to implement the bill's provisions. If before implementing any provision of the bill a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision must request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

EFFECTIVE DATE

September 1, 2025.