

BILL ANALYSIS

Senate Research Center
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S.B. 1266
By: Alvarado
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Medicaid provider enrollment and recertification (reenrollment) 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 (TMHP). This has resulted in delayed care and significant costs to Medicaid providers. The Health and Human Services Commission (HHSC) has stated that, as of December 2024, there are nearly 9,000 Medicaid provider applications that have been processing for more than 60 days. This is a result of a new provider enrollment system which was developed by Deloitte without user testing. There is no known federal or state requirement for the timely processing of Medicaid provider enrollment or certifications. However, CMS recommends 60 days as a best practice and HHSC recommends that providers submit recertification materials 120 days before their recertification date.

S.B. 1266 will amend the Government Code so that the process of Medicaid provider enrollment, re-enrollment, and credentialing is completed no more than 120 calendar days from the time a prospective or current Medicaid provider begins the Medicaid provider enrollment process.

As proposed, S.B. 1266 amends current law relating to Medicaid provider enrollment and credentialing processes.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Health and Human Services Commission in SECTION 3 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter D, Chapter 532, Government Code, as effective April 1, 2025, by adding Sections 532.01511 and 532.01512, as follows:

Sec. 532.01511. PROVIDER ENROLLMENT AND CREDENTIALING PROCESSES: PROVIDER SUPPORT; COMPLAINTS. (a) Requires the Health and Human Services Commission (HHSC) to ensure that providers have access to a dedicated support team for the Internet portal established under Section 532.0151 (Streamlining Provider Enrollment and Credentialing Processes) that assists current and prospective Medicaid providers in completing the Medicaid provider enrollment and credentialing processes and reduces the administrative burdens associated with those processes.

(b) Requires HHSC to:

- (1) annually evaluate the performance of the support team described by Subsection (a), including the timeliness of assistance the support team provides; and
- (2) not later than September 1 of each year, post on HHSC's Internet website a report summarizing the results of the evaluation conducted under Subdivision (1).

(c) Requires HHSC, for purposes of improving HHSC's Medicaid provider enrollment and credentialing processes, to develop a procedure by which a provider is authorized to electronically submit complaints and feedback about those processes and the support provided by the support team described by Subsection (a). Requires that information about the procedure be prominently posted on HHSC's or HHSC's designee's Internet website in the same location that instructions and resources for using the Internet portal established under Section 532.0151 are posted and allow a provider to submit a complaint or provide feedback through an electronic form from that location.

Sec. 532.01512. NOTICE OF PROVIDER DISENROLLMENT. Requires HHSC, before HHSC is authorized to disenroll a Medicaid provider during the provider's enrollment revalidation period not later than 30 days before the date of disenrollment, to 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.

SECTION 2. Requires HHSC, notwithstanding Section 532.01511, Government Code, as added by this Act, to conduct the initial evaluation and post the report summarizing the results of the evaluation as required by that section not later than September 1, 2026.

SECTION 3. Requires HHSC, as soon as possible after the effective date of this act, to ensure the Internet portal support team required by Section 532.01511(a), Government Code, as added by this Act, is established and to adopt rules necessary to implement the changes in law made by this Act.

SECTION 4. 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 5. Effective date: September 1, 2025.