

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1266
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Health & Human Services
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Medicaid provider enrollment and revalidation (re-enrollment) 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 were nearly 9,000 Medicaid provider applications processing for more than 60 days. This is a result of a new provider enrollment system which was developed by a contractor without user testing.

S.B. 1266 will amend the Government Code so that the provider support team shepherding Medicaid providers through enrollment and re-enrollment processes is regularly-evaluated, with clear objectives for provider support. This legislation also requires both written and electronic notification of provider disenrollment, no less than 30 days before disenrollment. Currently providers only receive electronic notification.

Bill Provisions:

- As filed, S.B. 1266 creates the following requirements of HHSC:
 - Establish a dedicated support team to assist Medicaid providers with enrollment and credentialing processes.
 - Annually evaluate the performance of the dedicated support team that assists Medicaid providers with enrollment and credentialing.
 - Create an electronic complaint and feedback system for Medicaid providers regarding the enrollment and credentialing processes and the support team assisting with those processes.
 - Establish requirements before disenrolling a Medicaid provider during their enrollment revalidation period, including:
 - Both electronic and written notification at least 30 days before disenrollment; and
 - The opportunity for the provider to correct any deficiencies.
- The committee substitute clarifies that HHSC may only disenroll a Medicaid provider for failing to complete the enrollment revalidation process. The committee substitute also clarifies that the provider support team does not need to be solely dedicated to that purpose so that existing full-time employees can be used for bill implementation.

C.S.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, 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 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 for failing to complete the enrollment revalidation process, 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.