

1-1 By: Hull, et al. (Senate Sponsor - Kolthorst) H.B. No. 26
1-2 (In the Senate - Received from the House April 23, 2025;
1-3 April 28, 2025, read first time and referred to Committee on Health
1-4 & Human Services; May 7, 2025, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 6, Nays 0;
1-6 May 7, 2025, sent to printer.)

1-7	COMMITTEE VOTE				
1-8		Yea	Nay	Absent	PNV
1-9	Kolkhorst	X			
1-10	Perry			X	
1-11	Blanco	X			
1-12	Cook	X			
1-13	Hall			X	
1-14	Hancock	X			
1-15	Hughes			X	
1-16	Miles	X			
1-17	Sparks	X			

1-18 COMMITTEE SUBSTITUTE FOR H.B. No. 26 By: Sparks

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to requiring contracts with Medicaid managed care
1-22 organizations to permit the organizations to offer nutrition
1-23 counseling and instruction services in lieu of other state Medicaid
1-24 plan services.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Section 540.0272, Government Code, is amended to
1-27 read as follows:

1-28 Sec. 540.0272. CERTAIN SERVICES PERMITTED IN LIEU OF STATE
1-29 MEDICAID PLAN SERVICES [~~OTHER MENTAL HEALTH OR SUBSTANCE USE~~
1-30 ~~DISORDER SERVICES~~]; ANNUAL REPORT. (a) A contract to which this
1-31 subchapter applies must contain language permitting the
1-32 contracting Medicaid managed care organization to offer medically
1-33 appropriate, cost-effective, evidence-based mental health or
1-34 substance use services or nutrition counseling and instruction
1-35 services from a list of services approved by the state Medicaid
1-36 managed care advisory committee and included in the contract in
1-37 lieu of [~~mental health or substance use disorder~~] services
1-38 specified in the state Medicaid plan. A recipient is not required
1-39 to use a service from the list included in the contract in lieu of
1-40 another [~~mental health or substance use disorder~~] service specified
1-41 in the state Medicaid plan.

1-42 (b) The commission shall:

1-43 (1) prepare and submit to the legislature an annual
1-44 report on the number of times during the preceding year a service
1-45 from the list included in the contract is used; and

1-46 (2) consider the actual cost and use of any services
1-47 from the list included in the contract that are offered by a
1-48 Medicaid managed care organization when setting the capitation
1-49 rates for that organization under the contract.

1-50 (c) In approving the list of nutrition counseling and
1-51 instruction services that are permitted in lieu of services
1-52 specified in the state Medicaid plan under this section, the state
1-53 Medicaid managed care advisory committee may only include nutrition
1-54 counseling and instruction. The list may not include:

1-55 (1) home-delivered meals;

1-56 (2) food prescriptions; or

1-57 (3) grocery support.

1-58 SECTION 2. The changes in law made by this Act apply to a
1-59 contract entered into or renewed on or after the effective date of
1-60 this Act. A contract entered into or renewed before that date is

governed by the law in effect on the date the contract was entered into or renewed, and the former law is continued in effect for that purpose.

SECTION 3. If before implementing any provision of this Act 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 shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 4. This Act takes effect September 1, 2025.

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