

By: Reynolds

H.B. No. 726

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the expansion of eligibility for Medicaid to certain
3 individuals under the federal Patient Protection and Affordable
4 Care Act.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Chapter 32, Human Resources Code, is amended by
7 adding Subchapter H to read as follows:

8 SUBCHAPTER H. EXPANSION OF ELIGIBILITY FOR MEDICAL ASSISTANCE

9 Sec. 32.351. EXPANDED ELIGIBILITY FOR MEDICAL ASSISTANCE
10 UNDER PATIENT PROTECTION AND AFFORDABLE CARE ACT. (a)
11 Notwithstanding any other law, the commission shall provide medical
12 assistance to all individuals who apply for that assistance and for
13 whom federal matching funds are available under the Patient
14 Protection and Affordable Care Act (Pub. L. No. 111-148), as
15 amended by the Health Care and Education Reconciliation Act of 2010
16 (Pub. L. No. 111-152), to provide that assistance.

17 (b) The executive commissioner shall adopt rules regarding
18 the provision of medical assistance as required by this section.

19 Sec. 32.352. ANNUAL REPORT ON EXPANDED ELIGIBILITY FOR
20 MEDICAL ASSISTANCE. Not later than December 1 of each year, the
21 commission shall report to the governor, the lieutenant governor,
22 the speaker of the house of representatives, and the standing
23 committees of the senate and the house of representatives having
24 primary jurisdiction over the medical assistance program on the

1 effects of expanding eligibility for medical assistance under
2 Section 32.351, including the effects on:

3 (1) the number of individuals in this state who do not
4 have health benefits coverage;

5 (2) state health care costs, including costs relating
6 to programs funded with money appropriated out of the general
7 revenue fund;

8 (3) local health care costs; and

9 (4) charity care and uncompensated care costs for
10 hospitals.

11 SECTION 2. Section 32.351, Human Resources Code, as added
12 by this Act, applies only to an initial determination or
13 recertification of eligibility of an individual for medical
14 assistance under Chapter 32, Human Resources Code, made on or after
15 January 1, 2026, regardless of the date the individual applied for
16 that assistance.

17 SECTION 3. As soon as possible after the effective date of
18 this Act, the executive commissioner of the Health and Human
19 Services Commission shall take all necessary actions to expand
20 eligibility for medical assistance under Chapter 32, Human
21 Resources Code, in accordance with Section 32.351, Human Resources
22 Code, as added by this Act, including notifying appropriate federal
23 agencies of that expanded eligibility. If before implementing any
24 provision of this Act a state agency determines that any other
25 waiver or authorization from a federal agency is necessary for
26 implementation of that provision, the agency affected by the
27 provision shall request the waiver or authorization and may delay

1 implementing that provision until the waiver or authorization is
2 granted.

3 SECTION 4. This Act takes effect January 1, 2026, but only
4 if the constitutional amendment proposed by the 89th Legislature,
5 Regular Session, 2025, requiring the state to expand eligibility
6 for Medicaid to all individuals for whom federal matching funds are
7 available under the federal Patient Protection and Affordable Care
8 Act is approved by the voters. If that amendment is not approved by
9 the voters, this Act has no effect.