

By: West

S.B. No. 423

A BILL TO BE ENTITLED

AN ACT

relating to expanding eligibility for medical assistance to certain persons under the federal Patient Protection and Affordable Care Act and ensuring the provision of quality care under and the effectiveness of the medical assistance program.

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

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

SUBCHAPTER H. EXPANSION OF ELIGIBILITY FOR MEDICAL ASSISTANCE

Sec. 32.351. DEFINITIONS. In this subchapter:

(1) "Commission" means the Health and Human Services Commission.

(2) "Executive commissioner" means the executive commissioner of the Health and Human Services Commission.

(3) "Medical assistance expansion group" means the category of persons who would not be eligible for medical assistance under the eligibility criteria in effect on December 31, 2013, but who are eligible for that assistance because of the requirement of Section 32.352(a).

(4) "Undocumented immigrant" means a person who:

(A) is not a citizen or other national of the United States; and

(B) is not lawfully authorized to be present in the United States under the Immigration and Nationality Act (8

1 U.S.C. Section 1101 et seq.) or other federal law.

2 Sec. 32.352. EXPANDED ELIGIBILITY FOR MEDICAL ASSISTANCE
3 UNDER PATIENT PROTECTION AND AFFORDABLE CARE ACT.

4 (a) Notwithstanding any other law and except as provided in
5 Subsection (b) and Section 32.353, to the extent funds are
6 appropriated to the commission for that purpose, the commission
7 shall provide medical assistance to all persons who apply for that
8 assistance and for whom federal matching funds are available under
9 the Patient Protection and Affordable Care Act (Pub. L.
10 No. 111-148) as amended by the Health Care and Education
11 Reconciliation Act of 2010 (Pub. L. No. 111-152) to provide that
12 assistance.

13 (b) Nothing in this section authorizes the commission to
14 provide medical assistance to undocumented immigrants.

15 (c) The executive commissioner shall adopt rules regarding
16 the provision of medical assistance as required by this section.

17 Sec. 32.353. RESTRICTED ELIGIBILITY FOR MEDICAL ASSISTANCE
18 UPON CHANGES IN FEDERAL MATCHING FUNDS. (a) Notwithstanding any
19 other law, if the federal medical assistance percentage (FMAP) by
20 which this state's expenditures under the medical assistance
21 program are matched with federal funds and that applies with
22 respect to persons in the medical assistance expansion group is
23 less than the percentage provided for in the Patient Protection and
24 Affordable Care Act (Pub. L. No. 111-148) as amended by the Health
25 Care and Education Reconciliation Act of 2010 (Pub. L.
26 No. 111-152), and excluding subsequent amendments:

27 (1) the commission shall alert the Legislative Budget

1 Board; and

2 (2) beginning on the first day of the month following
3 the month in which the new federal medical assistance percentage
4 (FMAP) becomes effective, the commission shall:

5 (A) cease providing medical assistance to
6 persons in the medical assistance expansion group; and

7 (B) reinstate the eligibility criteria for
8 medical assistance that existed on December 31, 2015.

9 (b) The executive commissioner shall adopt any rules
10 necessary to implement any changes in the provision of and
11 eligibility criteria for medical assistance required by this
12 section.

13 Sec. 32.354. FEDERAL AUTHORIZATION FOR IMPLEMENTATION OF
14 COST-SHARING OBLIGATIONS FOR MEDICAL ASSISTANCE EXPANSION GROUP.
15 The executive commissioner shall seek a waiver or other appropriate
16 authorization from the appropriate federal agency to develop and
17 implement cost-sharing obligations for the medical assistance
18 expansion group. Cost-sharing obligations developed by the
19 commission under this section:

20 (1) must be designed to:

21 (A) incentivize persons in the medical
22 assistance expansion group to seek preventive or routine health
23 care services, rather than emergency health care services, when
24 possible and appropriate; and

25 (B) guarantee quality health care for persons in
26 the medical assistance expansion group;

27 (2) may include:

1 (A) copayments and deductibles; and
2 (B) modifications to the reimbursement
3 methodologies for services provided to persons in the medical
4 assistance expansion group; and

5 (3) may incorporate any other incentives or strategies
6 that the commission determines are necessary, including:

7 (A) expanded use of managed care;
8 (B) increased reliance on private individual or
9 employer-based insurance;

10 (C) incentives and rewards for participation in
11 evidence-based wellness activities; and

12 (D) targeted benefits for chronic illnesses.

13 Sec. 32.355. ANNUAL REPORT ON EXPANDED ELIGIBILITY FOR
14 MEDICAL ASSISTANCE. Not later than December 1 of each year, the
15 commission shall report to the governor, the lieutenant governor,
16 the speaker of the house of representatives, and the standing
17 committees of the senate and the house of representatives having
18 primary jurisdiction over the medical assistance program on the
19 effects of expanding eligibility for medical assistance under
20 Section 32.352, including the effects on:

21 (1) the number of persons in this state who do not have
22 health benefits coverage;

23 (2) state health care costs, including costs relating
24 to programs funded with money appropriated out of the general
25 revenue fund;

26 (3) local health care costs; and

27 (4) charity care and uncompensated care costs for

1 hospitals.

2 SECTION 2. Section 32.352, Human Resources Code, as added
3 by this Act, applies only to an initial determination or
4 recertification of eligibility of a person for medical assistance
5 under Chapter 32, Human Resources Code, made on or after January 1,
6 2016, regardless of the date the person applied for that
7 assistance.

8 SECTION 3. As soon as possible after the effective date of
9 this Act, the executive commissioner of the Health and Human
10 Services Commission shall take all necessary actions to expand
11 eligibility for medical assistance under Chapter 32, Human
12 Resources Code, beginning January 1, 2016, and in accordance with
13 Section 32.352, Human Resources Code, as added by this Act,
14 including:

15 (1) notifying appropriate federal agencies of that
16 expanded eligibility; and

17 (2) establishing work groups or consulting with
18 stakeholder groups.

19 SECTION 4. If before implementing any provision of this Act
20 a state agency determines that a waiver or authorization from a
21 federal agency is necessary for implementation of that provision,
22 the agency affected by the provision shall request the waiver or
23 authorization and may delay implementing that provision until the
24 waiver or authorization is granted.

25 SECTION 5. This Act takes effect immediately if it receives
26 a vote of two-thirds of all the members elected to each house, as
27 provided by Section 39, Article III, Texas Constitution. If this

S.B. No. 423

- 1 Act does not receive the vote necessary for immediate effect, this
- 2 Act takes effect September 1, 2015.