

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

5-27-2023


Date

Honorable Dan Patrick
President of the Senate

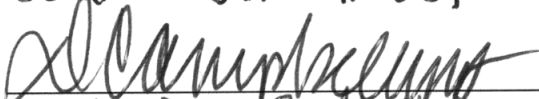
Honorable Dade Phelan
Speaker of the House of Representatives

Sirs:

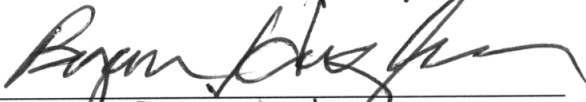
We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on House Bill 12 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.




Senator Lois W. Kolkhorst, Chair




Senator Donna Campbell, M.D.




Senator Bryan Hughes




Senator Charles Perry



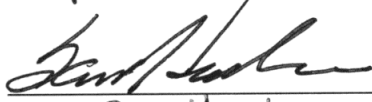
On the part of the Senate
Senator Judith Zaffirini



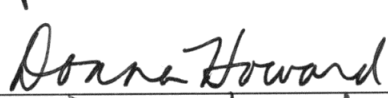
Rep. Toni Rose, Chair




Rep. Dustin Burrows



Rep. Sam Harless



Rep. Donna Howard



On the part of the House
Rep. Jacey Jetton

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

CONFERENCE COMMITTEE REPORT

3rd Printing

H.B. No. 12

A BILL TO BE ENTITLED

AN ACT

relating to the duration of services provided under Medicaid to women following a pregnancy.

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

SECTION 1. LEGISLATIVE PURPOSE. Out of the state's profound respect for the lives of mothers and unborn children, Medicaid coverage is extended for mothers whose pregnancies end in the delivery of the child or end in the natural loss of the child.

SECTION 2. Section 32.024(1-1), Human Resources Code, is amended to read as follows:

(1-1) The commission shall continue to provide medical assistance to a woman who is eligible for medical assistance for pregnant women for a period of not less than:

(1) six months following the date the woman delivers or experiences an involuntary miscarriage; and

(2) 12 months that begins on the last day of the woman's pregnancy and ends on the last day of the month in which the 12-month period ends in accordance with Section 1902(e)(16), Social Security Act (42 U.S.C. Section 1396a(e)(16)).

SECTION 3. As soon as practicable after the effective date of this Act, the executive commissioner of the Health and Human Services Commission shall, in accordance with Section 1902(e)(16), Social Security Act (42 U.S.C. Section 1396a(e)(16)), seek from the appropriate federal agency an amendment to the state's Medicaid

1 state plan to implement Section 32.024(1-1)(2), Human Resources
2 Code, as added by this Act. The commission may delay implementing
3 this Act until the state plan amendment is approved.

4 SECTION 4. This Act takes effect immediately if it receives
5 a vote of two-thirds of all the members elected to each house, as
6 provided by Section 39, Article III, Texas Constitution. If this
7 Act does not receive the vote necessary for immediate effect, this
8 Act takes effect September 1, 2023.

House Bill 12
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Section 32.024(1-1), Human Resources Code, is amended.

No equivalent provision.

SECTION 2. Transition provision.

SECTION 3. Effective date.

SENATE VERSION (IE)

SECTION 1. Same as House version.

SECTION __. *Subchapter B, Chapter 32, Human Resources Code, is amended by adding Section 32.0245 to read as follows:*

Sec. 32.0245. LEGISLATIVE POLICY AND PURPOSE. In implementing Section 32.024(1-1), the commission shall carry out the state's profound respect for the lives of mothers and the unborn by providing for extended Medicaid health care coverage for mothers whose pregnancies end in the delivery of the child or end in natural loss of the child. This does not include pregnancies that end through elective abortion. [FA1]

SECTION 2. Same as House version.

SECTION 3. Same as House version.

CONFERENCE

SECTION 2. Same as House version.

SECTION 1.

LEGISLATIVE PURPOSE. Out *of* the state's profound respect for the lives of mothers and unborn *children*, Medicaid coverage *is extended* for mothers whose pregnancies end in the delivery of the child or end in *the* natural loss of the child.

SECTION 3. Same as House version.

SECTION 4. Same as House version.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 27, 2023

TO: Honorable Dan Patrick, Lieutenant Governor, Senate
 Honorable Dade Phelan, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB12 by Rose (Relating to the duration of services provided under Medicaid to women following a pregnancy.), **Conference Committee Report**

Estimated Two-year Net Impact to General Revenue Related Funds for HB12, Conference Committee Report : a negative impact of (\$147,018,356) through the biennium ending August 31, 2025.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2024	(\$29,447,556)
2025	(\$117,570,800)
2026	(\$79,524,923)
2027	(\$75,401,663)
2028	(\$79,419,366)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>GR Match For Medicaid</i> 758	Probable Savings/(Cost) from <i>Federal Funds</i> 555	Probable Savings from <i>GR Match For Medicaid</i> 758	Probable Savings from <i>Federal Funds</i> 555
2024	(\$33,620,085)	(\$52,003,382)	\$4,172,529	\$5,373,469
2025	(\$155,346,020)	(\$231,809,170)	\$31,166,097	\$37,303,472
2026	(\$156,515,536)	(\$233,311,452)	\$69,331,534	\$87,648,828
2027	(\$157,142,407)	(\$234,245,904)	\$79,220,375	\$101,740,423
2028	(\$162,755,014)	(\$242,612,394)	\$79,288,024	\$101,409,377

<i>Fiscal Year</i>	Probable Revenue Gain from <i>General Revenue Fund</i> 1	Probable Revenue Gain from <i>Foundation School Fund</i> 193
2024	\$0	\$0
2025	\$4,956,842	\$1,652,281
2026	\$5,744,309	\$1,914,770
2027	\$1,890,277	\$630,092
2028	\$3,035,718	\$1,011,906

Fiscal Analysis

The bill would require the Health and Human Services Commission (HHSC) to continue Medicaid coverage to women enrolled during a pregnancy for at least 12 months, beginning the last day of the woman's pregnancy.

The bill would require HHSC to seek a state plan amendment (SPA) to implement the bill.

Methodology

The bill would result in women enrolled in Medicaid during pregnancy receiving ten additional months of postpartum coverage, beginning on the last day of the woman's pregnancy. The extended coverage is expected to result in savings to the Medicaid program from averted births and savings to the Healthy Texas Women program.

It is assumed services would begin March 1, 2024. The additional average monthly caseload associated with extended coverage is estimated to be 27,147 in fiscal year 2024, increasing to an average of 121,623 in fiscal years 2025 to 2028. The average monthly cost per recipient is estimated to be \$261.20 in fiscal year 2024, increasing in each subsequent year to \$277.06 in fiscal year 2028. The total estimated cost of the extended coverage for client services is estimated to be \$85.1 million in All Funds, including \$33.4 million in General Revenue, in fiscal year 2024 increasing in each subsequent year to \$405.4 million in All Funds, including \$162.8 million in General Revenue, by fiscal year 2028.

Estimated Medicaid savings associated with averted births, including reduced costs for pregnant women and newborns, is less than \$0.1 million in All Funds in fiscal year 2024, increasing in fiscal year 2025 to \$28.1 million in All Funds, including \$11.3 million in General Revenue. Estimated savings increase in subsequent years to \$152.5 million in All Funds, including \$11.3 million in General Revenue, by fiscal year 2028. Estimated savings also include increased vendor drug rebates totaling \$3.1 million in All Funds in fiscal year 2024, including \$1.2 million in General Revenue, and increasing to \$14.9 million in All Funds, \$8.9 million in General Revenue, in fiscal year 2028.

The bill would reduce the number of clients served in Healthy Texas Women (HTW), since eligible women would not transition until 12 months after their pregnancy ends. Postpartum services provided in HTW Plus will also decrease to only those women who are not enrolled in Medicaid for Pregnant Women. Savings to the Healthy Texas Women program assume a mix of General Revenue and Federal Funds and is estimated to be \$6.3 million in All Funds, including \$2.9 million in General Revenue, in fiscal year 2024, increasing in subsequent years to \$13.3 million in All Funds, including \$12.1 million in General Revenue, in fiscal year 2028.

The net increases in client services payments through managed care are assumed to result in an increase to insurance premium tax revenue, estimated as 1.75 percent of the increased managed care expenditures. Revenue is adjusted for assumed timing of payments and prepayments resulting in increased collections estimated to be \$6.6 million in fiscal year 2025, \$7.7 million in fiscal year 2026, \$2.5 million in fiscal year 2027, and \$4.0 million in fiscal year 2028. Pursuant to Section 227.001(b), Insurance Code, 25 percent of the revenue is assumed to be deposited to the credit of the Foundation School Fund.

HHSC will be required to submit Medicaid and Children's Health Insurance Program (CHIP) state plan amendments and an 1115 waiver amendment to the Centers for Medicare and Medicaid Services. It is assumed that any costs associated with this process could be absorbed using existing resources.

This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, otherwise this Act takes effect September 1, 2023

Technology

HHSC estimates that there will be a onetime cost of \$461,000 in All Funds, \$188,552 in General Revenue, to make application and systems modifications to the Texas Integrated Eligibility Redesign System (TIERS) and the Eligibility Supported Technologies (EST) in fiscal year 2024.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: JMc, CMA, NPe, ER, CST, NV

**Certification of Compliance with
Rule 13, Section 6(b), House Rules of Procedure**

Rule 13, Section 6(b), House Rules of Procedure, requires that a copy of a conference committee report signed by a majority of each committee of the conference be furnished to each member of the committee in person or, if unable to deliver in person, by placing a copy in the member's newspaper mailbox at least one hour before the report is furnished to each member of the house under Rule 13, Section 10(a). The paper copies of the report submitted to the chief clerk under Rule 13, Section 10(b), must contain a certificate that the requirement of Rule 13, Section 6(b), has been satisfied, and that certificate must be attached to the copy of the report furnished to each member under Rule 13, Section 10(d). Failure to comply with this requirement is not a sustainable point of order.

I certify that a copy of the conference committee report on HB 12 was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before paper copies of the report were submitted to the chief clerk under Rule 13, Section 10(b), House Rules of Procedure.

Jon Fox
(Signature)

5/27/23
(Date)