BILL ANALYSIS

S.B. 1648
By: Perry
Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The medically dependent children waiver program, a component of the STAR Kids managed care program that serves more than 5,000 recipients, offers enhanced, community-based services for individuals who need the level of care provided in a nursing facility but who would like to remain in the community. Senate Bill 1207, passed by the 86th Legislature, offered numerous reforms to the medically dependent children program. There have been concerns that certain provisions of that legislation relating to continuity of care have not been applied as intended to all enrollees, regardless of whether they have primary third-party coverage in addition to Medicaid coverage, but instead have been interpreted as applying only to enrollees with primary third-party coverage. S.B. 1648 seeks to clarify the applicability of the provisions in question and also provides for the negotiation of a single-case agreement between a managed care organization and a specialty provider to ensure continuity of care in certain cases where the enrollee does not have third-party primary coverage.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 1648 amends the Government Code to establish that a requirement for the Health and Human Services Commission (HHSC) to develop a process that allows a Medicaid recipient with complex medical needs who has established a relationship with a specialty provider to continue receiving care from that provider through a managed care program applies regardless of whether the recipient has primary health benefit plan coverage in addition to Medicaid coverage.

S.B. 1648 requires a Medicaid managed care organization (MCO) to negotiate a single-case agreement with a specialty provider who is not in the MCO's provider network for a recipient enrolled in a managed care plan offered by the MCO who has complex medical needs, does not have primary health benefit plan coverage, and wants to continue to receive care from that specialty provider. The bill provides for the reimbursement of the specialty provider in accordance with the applicable reimbursement methodology specified by HHSC rule until the MCO and the specialty provider enter into the single-case agreement. The bill establishes that such a single-case agreement is not considered accessing an out-of-network provider for the purposes of Medicaid MCO network adequacy requirements.

S.B. 1648 repeals Section 531.0601(f), Government Code, which sets an expiration date for statutory provisions relating to the placement or replacement, as applicable, of a child on certain long-term care services interest lists if the child is enrolled in the medically dependent children waiver program but becomes ineligible for services because the child no longer meets the applicable age requirement or level of care criteria.

Implementation of a provision of this bill by HHSC is mandatory only if a specific appropriation is made for that purpose.

EFFECTIVE DATE

September 1, 2021.