

- SUBJECT:** Reimbursement from Medicaid for health care services provided
- COMMITTEE:** Public Health — favorable, without amendment
- VOTE:** 7 ayes — Delisi, Jackson, Cohen, Coleman, Gonzales, S. King, Truitt
0 nays
2 absent — Laubenberg, Olivo
- WITNESSES:** For — Jose E. Camacho, Texas Association of Community Health Centers, Inc.; Robin Moore, Texas Association of Community Health Centers; (*Registered, but did not testify:* Tom Banning, Texas Academy of Family Physicians; Miryam Bujanda, Methodist Healthcare Ministries) (*On committee substitute, not adopted:*) John Holcomb, Texas Medical Association

Against — None

On — Olga Rodriguez, Health and Human Services Commission
- BACKGROUND:** In 2005, the 79th Legislature enacted SB 1188 by Nelson, which amended Government Code, sec. 533.005(a)(14) to require that a managed care organization in the Medicaid program reimburse a federally qualified health center (FQHC) or rural health clinic for health care services provided to a recipient outside of regular business hours if the recipient does not have a referral from a primary care physician.
- DIGEST:** HB 1579 would add Government Code, sec. 533.01315 to ensure that a rural health clinic or FQHC was reimbursed for health care services provided to any Medicaid-managed-care recipient outside of regular business hours without a referral from a primary care physician. The health and human services commissioner would adopt rules regarding days and times, including holidays, that would be considered outside of regular business hours.

An agency responsible for implementing a provision of the bill would be required to seek a waiver or authorization from a federal agency if necessary and could delay implementation until the waiver or authorization was granted.

The bill would take effect September 1, 2007.

**SUPPORTERS
SAY:**

HB 1579 would help improve access to health care in medically underserved areas. The bill would allow Medicaid recipients to receive treatment after hours to treat illnesses before they became full-blown health crises. It also would help decrease emergency care costs because recipients could receive treatment after hours in a clinic rather than going to a hospital emergency room, which tends to be more expensive. Research from the National Association of Community Health Centers has demonstrated that patients served by health centers have fewer visits to emergency rooms for preventable problems than patients without access to health centers. This same study estimates that providing after-hours care could save the Medicaid program \$4 billion nationwide by reducing emergency room visits.

The Primary Care Case Management (PCCM) program overseen by the Health and Human Services Commission (HHSC), requires that rural health clinics and FQHCs treat all Medicaid patients who require service. However, the enactment of SB 1188 in 2005 did not apply to patients under the PCCM model, which means that rural health clinics and FQHCs are not reimbursed for the after-hours care they provide to Medicaid patients who do not have referrals. HB 1579 would assure that rural health clinics and FQHCs could obtain reimbursement for seeing unreferral Medicaid patients after hours under any managed care model.

**OPPONENTS
SAY:**

HB 1579 could increase costs to the Medicaid program by encouraging Medicaid recipients to bypass their primary-care physicians in favor of visiting a clinic after hours. Primary-care physicians in managed-care models function as gatekeepers to contain medical expenses by assuring that patients seek care in-network whenever possible. This bill might require the state to absorb additional costs for reimbursing FQHCs and rural health clinics that deliver after-hours care to patients without referrals.

**OTHER
OPPONENTS
SAY:**

Because FQHCs and rural health clinics are not available in every community, HB 1579 also should allow physicians who offer after-hours care as part of their practices to receive reimbursement for treating Medicaid managed-care patients without referrals. This would fit into the state's overall goal of promoting alternatives to emergency room care for Medicaid recipients.

NOTES: The companion bill, SB 569 by Deuell, was reported favorably, as substituted, by the Senate Health and Human Services Committee on April 10 and recommended for the Local and Uncontested Calendar.