

## **BILL ANALYSIS**

Senate Research Center

S.B. 413  
By: Moncrief  
Health & Human Services  
2-11-97  
As Filed

### **DIGEST**

Currently, significant changes in the Medicaid system, especially the shift to managed care, make it essential for the state to involve Medicaid recipients and providers in the development of new rules, policies, and procedures. By requiring the Health and Human Services Commission to consult with the Medical Care and Hospital Payment Advisory Committees, as well as use the negotiated rulemaking process recommended by the comptroller, this legislation will ensure broad-based involvement in formulation of new policy. In addition, in 1991 the legislature imposed an assessment on certain hospitals for the purpose of funding the disproportionate share program; however, following a change in federal rules in 1993, the Department of Health began using an alternative method of funding. The assessment is no longer necessary, and S.B. 413 deletes that part of the statute.

### **PURPOSE**

As proposed, S.B. 413 establishes the administration of the Health and Human Services Commission and the administration and funding of the state Medicaid program.

### **RULEMAKING AUTHORITY**

Rulemaking authority is granted to the Health and Human Services Commission in SECTION 2 (Section 531.034(d), Government Code) and to the Texas Department of Human Services in SECTION 3 (Section 32.028(e), Human Resources Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 531.012, Government Code, to require the commissioner of health and human services (commissioner) to utilize the medical and hospital care advisory committees authorized by Section 32.022, Human Resources Code, to assist the Health and Human Services Commission (commission) with the development of Medicaid policies, procedures, eligibility standards and benefits, provider payments, and educational programs for Medicaid recipients and providers. Authorizes the commissioner to appoint other advisory committees as needed.

SECTION 2. Amends Section 531.034, Government Code, by adding Subsection (d), to authorize the commission, in the development of commission rules, to utilize negotiated rulemaking procedures and to retain private or neutral state-employed facilitators trained in negotiated rulemaking and mediation to assist the commission with the negotiated rulemaking.

SECTION 3. Amends Section 32.028, Human Resources Code, by adding Subsection (e), to authorize the Texas Department of Human Services (department), in the development of rules, to utilize negotiated rulemaking procedures and to retain private or neutral state-employed facilitators trained in negotiated rulemaking and mediation to assist the department with negotiated rulemaking.

SECTION 4. Repealer: Chapter 2, Acts of the 72nd Legislature, 1st Called Session, 1991, Article 4494q-2, V.T.C.S. (Senate Bill No. 82).

SECTION 5. Effective date: September 1, 1997.

SECTION 6. Emergency clause.