

BILL ANALYSIS

Senate Research Center

H.B. 1735
By: Delisi (Janek)
Health & Human Services
5/5/2003
Engrossed

DIGEST AND PURPOSE

H.B. 1735 requires the Health and Human Services Commission (HHSC), the Teacher Retirement System, the Employees Retirement System, the Texas Criminal Justice System, and The University of Texas and Texas A&M health systems to ensure that the managed care plans that are offered include disease management programs for people with chronic illness such as heart disease, respiratory illness, diabetes, asthma, HIV or AIDS. Additionally, both HHSC and the institutions are to study the outcomes and utilization rates as a result of implementation of disease management programs.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter D, Chapter 62, Health and Safety Code, by adding Section 62.159 , as follows:

Sec. 62.159. DISEASE MANAGEMENT SERVICES. (a) Defines "disease management services."

(b) Requires the child health plan to provide disease management services or coverage for disease management services in the manner required by the Health and Human Services Commission (HHSC), including certain services.

(c) Requires HHSC to conduct a study that evaluates the savings to the state as a result of implementation of the comprehensive disease management programs described by Subsections (a) and (b). Requires HHSC to evaluate the clinical outcomes of children enrolled in a disease management program. Requires HHSC to report the progress of the study to the governor, lieutenant governor, and speaker of the house of representatives not later than December 1, 2004, and the final results of the study not later than December 1, 2005.

(d) Authorizes HHSC to conduct the study under Subsection (c) in conjunction with an academic center.

(e) Provides that Subsections (c) and (d) and this subsection expire January 1, 2006.

SECTION 2. Amends Subchapter E, Chapter 3, Insurance Code, by adding Article 3.50-7B, as follows:

Art. 3.50-7B. DISEASE MANAGEMENT SERVICES. (a) Defines "disease management services."

(b) Requires a health coverage plan provided under Article 3.50-7 of this code to provide disease management services or coverage for disease management

services in the manner required by the Teacher Retirement System of Texas, including certain services.

(c) Requires the Teacher Retirement System of Texas to conduct a study that evaluates the savings to the state as a result of implementation of the comprehensive disease management programs described by Subsections (a) and (b). Requires HHSC to evaluate the clinical outcomes of participants enrolled in a disease management program. Requires the system to report the progress of the study to the governor, lieutenant governor, and speaker of the house of representatives not later than December 1, 2004, and the final results of the study not later than December 1, 2005.

(d) Authorizes the Teacher Retirement System of Texas to conduct the study under Subsection (c) of this article in conjunction with an academic center.

(e) Provides that Subsections (c) and (d) of this article and this subsection expire January 1, 2006.

SECTION 3. Amends Subchapter E, Chapter 1551, Insurance Code, as effective June 1, 2003, by adding Section 1551.219, as follows:

Sec. 1551.219. DISEASE MANAGEMENT SERVICES. (a) Defines "disease management services."

(b) Requires a group health benefit plan offered under the group benefits program to provide disease management services or coverage for disease management services in the manner required by the board of trustees, including certain services.

(c) Requires the board of trustees to conduct a study that evaluates the savings to the state as a result of implementation of the comprehensive disease management programs described by Subsections (a) and (b). Requires the board of trustees to evaluate the clinical outcomes of participants enrolled in a disease management program. Requires the board of trustees to report the progress of the study to the governor, lieutenant governor, and speaker of the house of representatives not later than December 1, 2004, and the final results of the study not later than December 1, 2005.

(d) Authorizes the board of trustees to conduct the study under Subsection (c) in conjunction with an academic center.

(e) Provides that Subsections (c) and (d) and this subsection expire January 1, 2006.

SECTION 4. Amends Subchapter D, Chapter 1575, Insurance Code, as effective June 1, 2003, by adding Section 1575.162, as follows:

Sec. 1575.162. DISEASE MANAGEMENT SERVICES. (a) Defines "disease management services."

(b) Requires a health benefit plan provided under this chapter to provide disease management services or coverage for disease management services in the manner required by the Teacher Retirement System of Texas, including certain services.

(c) Requires the Teacher Retirement System of Texas to conduct a study that evaluates the savings to the state as a result of implementation of the comprehensive disease management programs described by Subsections (a) and (b). Requires the Teacher Retirement System of Texas to evaluate the clinical outcomes of participants enrolled in a disease management program. Requires the

Teacher Retirement System of Texas to report the progress of the study to the governor, lieutenant governor, and speaker of the house of representatives not later than December 1, 2004, and the final results of the study not later than December 1, 2005.

(d) Authorizes the Teacher Retirement System of Texas to conduct the study under Subsection (c) in conjunction with an academic center.

(e) Provides that Subsections (c) and (d) and this subsection expire January 1, 2006.

SECTION 5. Amends Subchapter C, Chapter 1601, Insurance Code, as effective June 1, 2003, by adding Section 1601.110, as follows:

Sec. 1601.110. DISEASE MANAGEMENT SERVICES. (a) Defines "disease management services."

(b) Requires a health benefit plan provided under this chapter to provide disease management services or coverage for disease management services in the manner required by the governing board of a system, including certain services.

(c) Requires the governing board of each system to conduct a study that evaluates the savings to the state as a result of implementation of comprehensive disease management programs as described by Subsections (a) and (b). Requires the governing board of a system to evaluate the clinical outcomes of participants enrolled in a disease management program. Requires the governing board of a system to report the progress of the study to the governor, lieutenant governor, and speaker of the house of representatives not later than December 1, 2004, and the final results of the study not later than December 1, 2005.

(d) Authorizes the governing board of a system to conduct the study under Subsection (c) in conjunction with an academic center.

(e) Provides that Subsections (c) and (d) and this subsection expire January 1, 2006.

SECTION 6. Amends Subchapter E, Chapter 501, Government Code, by adding Section 501.149, as follows:

Sec. 501.149. DISEASE MANAGEMENT SERVICES. (a) Defines "disease management services."

(b) Requires a managed health care plan provided under this chapter to provide disease management services in the manner required by the Correctional Managed Health Care Committee (committee), including certain services.

(c) Requires the committee to conduct a study that evaluates the savings to the state as a result of implementation of comprehensive disease management programs described by Subsections (a) and (b). Requires the committee to evaluate the clinical outcomes of participants enrolled in a disease management program. Requires the committee to report the progress of the study to the governor, lieutenant governor, and speaker of the house of representatives not later than December 1, 2004, and the final results of the study not later than December 1, 2005.

(d) Authorizes the committee to conduct the study under Subsection (c) in conjunction with an academic center.

(e) Provides that Subsections (c) and (d) and this subsection expire January 1,

2006

SECTION 7. Section 533.009, Government Code, is amended to read as follows:

Sec. 533.009. SPECIAL DISEASE MANAGEMENT. (a) Requires HHSC to ensure that managed care organizations under contract with HHSC to provide health care services to recipients develop and implement special disease management programs to manage a disease or other, rather than address, chronic health conditions, such as heart disease, respiratory illness, including asthma, diabetes, end-stage renal disease, HIV infection, or AIDS, and with respect to which the commission identifies populations for which disease management would be cost-effective.

(b) Requires a managed health care plan provided under this chapter to provide disease management services in the manner required by HHSC, including certain services.

(c) Requires HHSC to conduct a study that evaluates the savings to the state as a result of implementation of comprehensive disease management programs described by Subsections (a) and (b). Requires HHSC to evaluate the clinical outcomes of participants enrolled in a disease management program. Requires HHSC to report the progress of the study to the governor, lieutenant governor, and speaker of the house of representatives not later than December 1, 2004, and the final results of the study not later than December 1, 2005, rather than studying the cost-benefit data of applying disease management principles in the delivery of Medicaid to certain patients.

(d) Authorizes HHSC to conduct the study under Subsection (c) in conjunction with an academic center.

(e) Provides that Subsections (c) and (d) and this subsection expire January 1, 2006.

SECTION 8. Requires the state child health plan, each health coverage plan provided under Article 3.50-7, Insurance Code, each health benefit plan provided under Chapter 1551, 1575, or 1601, Insurance Code, the managed health care plan provided under Subchapter E, Chapter 501, Government Code, and a Medicaid managed care plan subject to Chapter 533, Government Code, to provide disease management services or coverage for disease management services in accordance with this Act as soon as practicable after the effective date of this Act, but not later than January 1, 2004.

SECTION 9. Effective date: upon passage or September 1, 2003.