

BILL ANALYSIS

Senate Research Center

S.B. 531
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Health & Human Services
8/4/2009
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 531 amends current law relating to the medical assistance program and to the billing coordination system for claims submitted for payment from the Medicaid program.

[**Note:** The statutory reference in SECTION 2 and SECTION 3 of this bill is to the Health and Human Services Commission or an agency operating part of the medical assistance program, as appropriate.]

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the executive commissioner of the Health and Human Services Commission is modified in SECTION 1 (Section 531.02413, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 531.02413, Government Code, as added by Chapter 268 (S.B. 10), Acts of the 80th Legislature, Regular Session, 2007, by adding Subsection (a-1) and amending Subsections (b) and (c), as follows:

(a-1) Requires the Health and Human Services Commission (HHSC), if cost-effective and feasible, to contract to expand the Medicaid billing coordination system described by Subsection (a) to process claims for all other health care services provided through the Medicaid program in the manner claims for acute care services are processed by the system under Subsection (a). Provides that this subsection does not apply to claims for health care services provided through the Medicaid program if, before September 1, 2009, those claims were being processed by an alternative billing coordination system.

(b) Requires the executive commissioner of HHSC (executive commissioner), if cost-effective, to adopt rules for the purpose of enabling the system described by Subsection (a) to identify an entity with primary responsibility for paying a claim that is processed by the system under Subsection (a) and establish reporting requirements for any entity that may have a contractual responsibility to pay for the types of services that are provided under the Medicaid program and the claims for which are processed by the system under Subsection (a), rather than pay for the types of acute care services provided under the Medicaid program.

(c) Requires an entity that holds a permit, license, or certificate of authority issued by a regulatory agency of the state to allow a contractor under this section, rather than under Subsection (a), access to databases to allow the contractor to carry out the purposes of this section, subject to the contractor's contract with HHSC and rules adopted under this section, and provides that the entity is subject to an administrative penalty or other sanction as provided by the law applicable to the permit, license, or certificate of authority for a violation by the entity of a rule adopted under this section.

SECTION 2. Amends Section 32.024, Human Resources Code, by adding Subsection (ii), to require HHSC to provide medical assistance reimbursement to a pharmacist who is licensed to practice pharmacy in this state, is authorized to administer immunizations in accordance with rules adopted by the Texas State Board of Pharmacy, and administers an immunization to a recipient of medical assistance to the same extent HHSC provides reimbursement to a physician

or other health care provider participating in the medical assistance program for the administration of that immunization.

SECTION 3. Amends Subchapter B, Chapter 32, Human Resources Code, by adding Section 32.0424, as follows:

Sec. 32.0424. REQUIREMENTS OF THIRD-PARTY HEALTH INSURERS. (a) Requires a third-party health insurer to provide to HHSC, on HHSC's request, information in a form prescribed by HHSC necessary to determine the period during which an individual entitled to medical assistance may be, or may have been, covered by coverage issued by the health insurer; the nature of the coverage; and the name, address, and identifying number of the health plan under which the person may be, or may have been, covered.

(b) Requires a third-party health insurer to accept the state's right of recovery and the assignment under Section 32.033 (Subrogation) to the state of any right of an individual or other entity to payment from the third-party health insurer for an item or service for which payment was made under the medical assistance program.

(c) Requires a third-party health insurer to respond to any inquiry by HHSC regarding a claim for payment for any health care item or service reimbursed by HHSC under the medical assistance program not later than the third anniversary of the date the health care item or service was provided.

(d) Prohibits a third-party health insurer from denying a claim submitted by HHSC or HHSC's designee for which payment was made under the medical assistance program solely on the basis of the date of submission of the claim, the type of format of the claim form, or a failure to present proper documentation at the point of service that is the basis of the claim if:

(1) the claim submitted by HHSC or HHSC's designee not later than the third anniversary of the date the item or service was provided; and

(2) any action by HHSC or HHSC's designee to enforce the state's rights with respect to the claim is commenced not later than the sixth anniversary of the date HHSC or HHSC's designee submits the claim.

(e) Provides that this section does not limit the scope or amount of information required by Section 32.042 (Information Required from Health Insurers).

SECTION 4. Authorizes HHSC to seek to amend an existing contract entered into under Section 531.02413, Government Code, as added by Chapter 268 (S.B. 10), Acts of the 80th Legislature, Regular Session, 2007, or to enter into a new contract, to implement the changes made to that section by this Act.

SECTION 5. Requires HHSC, if necessary for implementation of a provision of this Act, to request a waiver or authorization from a federal agency, and authorizes delay of implementation until such waivers or authorizations are granted.

SECTION 6. Effective date: September 1, 2009.