

BILL ANALYSIS

Senate Research Center
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S.B. 967
By: Nelson
Health & Human Services
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

This bill is intended to create a pilot program to determine the best approach for Medicaid to ensure that information on cost-effective telemonitoring services employed by Medicaid health maintenance organizations is shared among all providers.

This bill defines telemonitoring; requires the Health and Human Services Commission (HHSC) to determine the cost neutrality of the Medicaid diabetes telemonitoring pilot program; requires HHSC to adopt rules for providing telemonitoring services, if the diabetes pilot program is found to be cost neutral; requires HHSC to implement a new pilot program, if the diabetes pilot program is found to be not cost neutral; requires HHSC to implement a pilot program within Medicaid, if determined to be cost-neutral, to evaluate cost neutrality of providing telemonitoring services to person with conditions other than diabetes; and requires HHSC to identify and disseminate information on telemonitoring strategies implemented within the Medicaid program that were cost neutral or resulted in improved performance on key health measures.

As proposed, S.B. 967 amends current law relating to the use of telemonitoring in the medical assistance program.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 2 (Section 531.02176, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 531.001, Government Code, by adding Subdivision (7) to define "telemonitoring."

SECTION 2. Amends Subchapter B, Chapter 531, Government Code, by adding Sections 531.02176, 531.02177, and 531.02178, as follows:

Sec. 531.02176. **MEDICAID TELEMONITORING PILOT PROGRAMS FOR DIABETES.** (a) Requires the Health and Human Services Commission (HHSC) to determine whether the Medicaid Enhanced Care program's diabetes self-management training telemonitoring pilot program was cost neutral.

(b) Requires HHSC, in determining whether the pilot program described by Subsection (a) was cost neutral, to, at a minimum, compare:

(1) the health care costs of program participants who received telemonitoring services with the health care costs of a group of Medicaid recipients who did not receive telemonitoring services;

(2) the health care services used by program participants who received telemonitoring services with the health care services used by a group of Medicaid recipients who did not receive telemonitoring services;

(3) for program participants who received telemonitoring services, the amount spent on health care services before, during, and after the receipt of telemonitoring services; and

(4) for program participants who received telemonitoring services, the health care services used before, during and after the receipt of telemonitoring services.

(c) Requires HHSC, if HHSC determines that the pilot program described by Subsection (a) was cost neutral, the executive commissioner of HHSC (executive commissioner) to adopt rules for providing telemonitoring services through the Medicaid Texas Health Management Program for select diabetes patients in a manner comparable to that program.

(d) Requires HHSC, if HHSC determines that the pilot program described by Subsection (a) was not cost neutral, to develop and implement within the Medicaid Texas Health Management Program for select diabetes patients a new diabetes telemonitoring pilot program based on evidence-based best practices, provided that HHSC determines implementing the new diabetes telemonitoring pilot program would be cost neutral.

(e) Requires HHSC, in determining whether implementing a new diabetes telemonitoring pilot program under Subsection (d) would be cost neutral, to consider appropriate factors, including:

(1) the target population, participant eligibility criteria, and the number of participants to whom telemonitoring services would be provided;

(2) the type of telemonitoring technology to be used;

(3) the estimated cost of the telemarketing services provided;

(4) the estimated cost differential to the state based on changes in participants' use of emergency department services, outpatient services, pharmaceutical services and ancillary services, and inpatient services other than inpatient labor and delivery services; and

(5) other indirect costs that may result from the provision of telemonitoring services.

Sec. 531.02177. MEDICAID TELEMONITORING PILOT PROGRAM FOR CERTAIN CONDITIONS. (a) Requires HHSC to develop and implement a pilot program within the Medicaid Texas Health Management Program to evaluate the cost neutrality of providing telemonitoring services to persons who are diagnosed with health conditions other than diabetes, if HHSC determines implementing the pilot program would be cost neutral.

(b) Requires HHSC, in determining whether implementing a pilot program under Subsection (a) would be cost neutral, to consider appropriate factors, including the following:

(1) the types of health conditions that could be assessed through the program by reviewing existing research and other evidence on the effectiveness of providing telemonitoring services to persons with those conditions;

(2) the target population, participant eligibility criteria, and the number of participants to whom telemonitoring services would be provided;

(3) the type of telemonitoring technology to be used;

(4) the estimated cost of the telemonitoring services to be provided;

(5) the estimated cost differential to the state based on changes in participants' use of emergency department services, outpatient services, pharmaceutical and ancillary services, and inpatient services other than inpatient labor and delivery services; and

(6) other indirect costs that may result from the provision of telemonitoring services.

Sec. 531.02178. DISSEMINATION OF INFORMATION ABOUT EFFECTIVE TELEMONTORING STRATEGIES. Requires HHSC to annually identify telemonitoring strategies implemented within the Medicaid program that have demonstrated cost neutrality or resulted in improved performance on key health measures, and disseminate information about the identified strategies to encourage the adoption of effective telemonitoring strategies.

SECTION 3. (a) Requires the executive commissioner, not later than January 1, 2012, to adopt the rules required by Section 531.02176(c), Government Code, as added by this Act, if HHSC determines that the Medicaid Enhanced Care program's diabetes self-management training telemonitoring pilot program was cost neutral.

(b) Requires HHSC, not later than September 1, 2012, to determine whether implementing a new diabetes telemonitoring pilot program would be cost neutral if required by Section 531.02176(d), Government Code, as added by this Act, and report that determination to the governor and the Legislative Budget Board.

SECTION 4. Requires HHSC, not later than September 1, 2012, to determine whether implementing a telemonitoring pilot program for health conditions other than diabetes would be cost neutral as required by Section 531.02177(a), Government Code, as added by this Act, and report that determination to the governor and the Legislative Budget Board.

SECTION 5. Requires a state agency, 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 a waiver or authorization is granted.

SECTION 6. Effective date: September 1, 2011.