

## **BILL ANALYSIS**

Senate Research Center  
84R18858 JSL/ADM-D

C.S.S.B. 200  
By: Nelson et al.  
Health & Human Services  
4/3/2015  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

This legislation reorganizes health and human service delivery in Texas. Building on the Sunset reviews of the five health and human services agencies, the reorganization consolidates administrative services as directed by current law, and further promotes accountability, reduces fragmentation, and streamlines operations across the system.

The bill reorganizes the five existing agencies into one agency, the Health and Human Services Commission (HHSC), structured along functional lines. To further streamline operations, the bill removes statutory barriers to system-wide oversight of information technology and audit functions.

The formation of a transition legislative oversight committee and a related transition plan will help guide the development of the new agency structure. A new Policy and Performance Office would serve as a “think tank” for performance improvement efforts, assist in the reorganization, and manage change on an ongoing basis. The bill also makes Medicaid processes more effective and efficient, by adapting processes to managed care and streamlining the enrollment for Medicaid providers.

To simplify public interactions with HHSC, the bill removes a multitude of advisory committees from statute and requires the agency to reconstitute advisory groups to address major topic areas like behavioral health and regulatory matters. Standardizing system websites and hotlines will further reduce confusion for stakeholders. Finally, the bill continues a consolidated HHSC for 12 years with an eight year special review to evaluate progress of the reorganization.

The committee substitute to S.B. 200 leaves the Department of Family Protective Services (DFPS) as an independent agency for four years until an automatic transfer to the reconstituted system in 2019. Prevention services, child care licensing and facility investigations, all currently at DFPS, would still transfer to HHSC on or after September 1, 2015, and not later than September 1, 2016.

The committee substitute to S.B. 200 also leaves the Department of State Health Services (DSHS) as an independent agency for four years until an automatic transfer to the reconstituted system in 2019. State hospital operations, regulatory programs, and medical and social service programs, all currently at DSHS, would still transfer to HHSC on or after September 1, 2015, and not later than September 1, 2016.

The committee substitute also makes conforming changes in accordance with S.B. 219, 84th Legislature, Regular Session, 2015.

C.S.S.B. 200 amends current law relating to the continuation and functions of the Health and Human Services Commission and the provision of health and human services in this state.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 1.03 (Section 531.0051, Government Code), SECTION 2.13 (Section 531.1032, Government Code), SECTION 2.19 (Section 533.015,

Government Code), SECTION 3.02 (Section 531.012, Government Code), and SECTION 3.08 (Section 531.0736, Government Code) of this bill.

Rulemaking authority previously granted to the executive commissioner of the Health and Human Services Commission is modified in SECTION 1.05 (Section 531.0055, Government Code), SECTION 3.04 (Section 531.0216, Government Code), and SECTION 3.06 (Section 531.051, Government Code) of this bill.

Rulemaking authority previously granted to the executive commissioner of the Health and Human Services Commission is rescinded in SECTION 1.15 (Section 531.409, Government Code; and Sections 117.028, 117.052, 161.028, and 161.052, Human Resources Code), SECTION 1.16 (Section 531.0163, Government Code; Sections 1001.028 and 1001.052, Health and Safety Code) and SECTION 3.45 (Section 22.035, Human Resources Code) of this bill.

Rulemaking authority previously granted to the Health and Human Services Commission is rescinded in SECTION 3.08 (Section 531.074, Government Code) of this bill.

Rulemaking authority previously granted to the commissioner of insurance is modified in SECTION 3.43 (Section 1352.004, Insurance Code) and SECTION 3.44 (Section 1352.005, Insurance Code) of this bill.

Rulemaking authority previously granted to the presiding judge of the statutory probate courts is rescinded in SECTION 3.45 (Section 531.122, Government Code) of this bill.

Rulemaking authority previously granted to the Texas Board of Health is rescinded in SECTION 3.45 (Section 92.060, Health and Safety Code) of this bill.

## **SECTION BY SECTION ANALYSIS**

### ARTICLE 1. CONSOLIDATION OF HEALTH AND HUMAN SERVICES SYSTEM

SECTION 1.01. (a) Amends Chapter 531, Government Code, by adding Subchapter A-1, as follows:

#### SUBCHAPTER A-1. CONSOLIDATION OF HEALTH AND HUMAN SERVICES SYSTEM

Sec. 531.02001. CONSOLIDATION OF HEALTH AND HUMAN SERVICES SYSTEM GENERALLY. (a) Provides that, in accordance with this subchapter, the functions of each state agency and entity subject to abolition under Section 531.0202 are consolidated in the Health and Human Services Commission (HHSC) through a two-phase transfer of those functions under which:

(1) the initial transfers required under Section 531.0201 occur:

(A) on or after September 1, 2015; and

(B) not later than September 1, 2016; and

(2) the final transfers required under Section 531.02011 occur:

(A) on or after September 1, 2018; and

(B) not later than September 1, 2019.

Sec. 531.02002. MEANING OF FUNCTION IN RELATION TO TRANSFERS. Defines "function," for the purposes of the transfers mandated by this subchapter, to mean a power, duty, program, or activity of a state agency or entity.

Sec. 531.0201. PHASE ONE: INITIAL TRANSFERS TO COMMISSION. Provides that, on the dates specified in the transition plan required under Section 531.0204, the functions of each state agency or entity subject to abolition under Section 531.0202, other than the functions that will be transferred under Section 531.02011, are transferred to HHSC as provided by this subchapter.

Sec. 531.02011. PHASE TWO: FINAL TRANSFERS TO COMMISSION. Provides that, on the dates specified in the transition plan required under Section 531.0204, the following functions are transferred to HHSC as provided by this subchapter:

(1) the functions of the Department of Family and Protective Services (DFPS) related to the following:

(A) child protective services, including services that are required by federal law to be provided by this state's child welfare agency; and

(B) adult protective services, other than investigations of the alleged abuse, neglect, or exploitation of an elderly person or person with a disability:

(i) in a facility operated or in a facility or by a person licensed, certified, or registered by a state agency; or

(ii) by a provider that has contracted to provide home and community-based services; and

(2) the public health functions of the Department of State Health Services (DSHS), including health care data collection and maintenance of the Texas Health Care Information Collection program.

Sec. 531.02012. RELATED TRANSFERS; EFFECT OF CONSOLIDATION. (a) Provides that all of the following that relate to a function that is transferred under Section 531.0201 or 531.02011 are transferred to HHSC on the date the related function is transferred as specified in the transition plan required under Section 531.0204:

(1) all obligations and contracts;

(2) all property and records in the custody of the state agency or entity from which the function is transferred;

(3) all funds appropriated by the legislature; and

(4) all complaints, investigations, or contested cases that are pending before the state agency or entity from which the function is transferred or a governing person or entity of the state agency or entity, without change in status.

(b) Provides that a rule, policy, or form adopted by or on behalf of a state agency or entity subject to abolition under Section 531.0202 that relates to a function that is transferred under Section 531.0201 or 531.02011 becomes a rule, policy, or form of HHSC upon transfer of the related function and remains in effect until altered by HHSC or unless it conflicts with a rule, policy, or form of HHSC.

(c) Provides that a license, permit, or certification in effect that was issued by a state agency or entity subject to abolition under Section 531.0202 is continued in effect as a license, permit, or certification of HHSC upon

transfer of the function to which the license, permit, or certification relates until the license, permit, or certification expires, is suspended or revoked, or otherwise becomes invalid.

Sec. 531.0202. ABOLITION OF STATE AGENCIES AND ENTITIES. (a) Provides that each of the following state agencies and entities is abolished on a date that is within the period prescribed by Section 531.02001(1), that is specified in the transition plan required under Section 531.0204 for the abolition of the state agency or entity, and that occurs after all of the state agency's or entity's functions have been transferred to HHSC in accordance with Section 531.0201:

- (1) the Department of Aging and Disability Services (DADS);
- (2) the Department of Assistive and Rehabilitative Services (DARS);
- (3) the Health and Human Services Council;
- (4) the Aging and Disability Services Council;
- (5) the Assistive and Rehabilitative Services Council;
- (6) the Family and Protective Services Council;
- (7) the State Health Services Council;
- (8) the Office for the Prevention of Developmental Disabilities;  
and
- (9) the Texas Council on Autism and Pervasive Developmental Disorders.

(b) Provides that DFPS and DSHS are abolished on a date that is within the period prescribed by Section 531.02001(2), that is specified in the transition plan required under Section 531.0204 for the abolition of the state agency or entity, and that occurs after all of the state agency's or entity's functions have been transferred to HHSC in accordance with Sections 531.0201 and 531.02011.

(c) Provides that the abolition of a state agency or entity listed in Subsection (a) or (b) and the transfer of its functions and related obligations, rights, contracts, records, property, and funds to HHSC as provided by this subchapter do not affect or impair an act done, any obligation, right, order, permit, certificate, rule, criterion, standard, or requirement existing, or any penalty accrued under former law, and that law remains in effect for any action concerning those matters.

Sec. 531.0203. HEALTH AND HUMAN SERVICES TRANSITION LEGISLATIVE OVERSIGHT COMMITTEE. (a) Defines "committee."

(b) Provides that the Health and Human Services Transition Legislative Oversight Committee (committee) is created to facilitate the transfer of functions from the state agencies and entities subject to abolition under Section 531.0202 to HHSC as provided by this subchapter with a minimal negative effect on the delivery of services provided by those state agencies and entities.

(c) Provides that the committee is composed of 11 voting members, as follows:

(1) four members of the senate, appointed by the lieutenant governor;

(2) four members of the house of representatives, appointed by the speaker of the house of representatives; and

(3) three members of the public, appointed by the governor.

(d) Provides that the executive commissioner of HHSC (executive commissioner) serves as an ex officio, nonvoting member of the committee.

(e) Establishes that a member of the committee serves at the pleasure of the appointing official.

(f) Requires the lieutenant governor and the speaker of the house of representatives to each designate a presiding co-chair from among their respective appointments.

(g) Prohibits a member of the committee from receiving compensation for serving on the committee but entitles a member of the committee to reimbursement for travel expenses incurred by the member while conducting the business of the committee as provided by the General Appropriations Act.

(h) Requires the committee to:

(1) facilitate the transfer of functions from the state agencies and entities subject to abolition under Section 531.0202 to HHSC as provided by this subchapter with a minimal negative effect on the delivery of services provided by those agencies and entities;

(2) with assistance from HHSC and the state agencies and entities subject to abolition under Section 531.0202, advise the executive commissioner concerning:

(A) the functions to be transferred under this subchapter and the funds and obligations that are related to the functions;

(B) the transfer of the functions and related records, property, funds, and obligations by the state agencies and entities as provided by this subchapter; and

(C) the reorganization of HHSC's administrative structure in accordance with this subchapter, Sections 531.0055, 531.00561, 531.00562, and 531.008, and other provisions enacted by the 84th Legislature that become law; and

(3) meet:

(A) during the period between the establishment of the committee and December 31, 2016, at least quarterly at the call of either chair, in addition to meeting at other times as determined appropriate by either chair;

(B) during the period between January 1, 2017, and December 31, 2019, at least semiannually at the call of either chair, in addition to meeting at other times as determined appropriate by either chair; and

(C) during the period between January 1, 2020, and August 31, 2023, at least annually at the call of either chair, in addition to meeting at other times as determined appropriate by either chair.

(i) Provides that Chapter 551 (Open Meetings) applies to the committee.

(j) Requires the committee to submit a report to the governor, lieutenant governor, and speaker of the house of representatives not later than December 1 of each even-numbered year. Requires that the report include an update on the progress of and issues related to certain information as set forth relating to the transfer of functions and the reorganization of HHSC's administrative structure.

(k) Provides that the committee is abolished September 1, 2023.

Sec. 531.0204. TRANSITION AND WORK PLAN FOR IMPLEMENTATION OF CONSOLIDATION. (a) Requires that the transfers of functions under Sections 531.0201 and 531.02011 to HHSC be developed by the executive commissioner. Requires that the transition plan:

(1) include an outline of HHSC's reorganized structure, including its divisions, in accordance with this subchapter, Sections 531.00561, 531.00562, and 531.008, and other provisions enacted by the 84th Legislature that become law; and

(2) include a broad plan and schedule that, subject to the periods prescribed by Section 531.02001, specify the dates on which:

(A) the transfers under Sections 531.0201 and 531.02011 are to be made;

(B) each state agency or entity subject to abolition under Section 531.0202 is abolished; and

(C) each division of HHSC is created and the division's director is appointed.

(b) Requires the executive commissioner, in developing the transition plan, to hold public hearings in various geographic areas in this state before submitting the plan to the committee, the governor, and the Legislative Budget Board (LBB) as required by Subsection (d).

(c) Requires HHSC, within the periods prescribed by Section 531.02001, to begin administering the respective functions assigned to HHSC under Sections 531.0201 and 531.02011, as applicable. Requires that the assumption of the administration of the functions be accomplished in accordance with a detailed work plan designed by HHSC to ensure that the transfer and provision of health and human services in this state are accomplished in a careful and deliberative manner. Requires that the work plan include details regarding the movement and specific timelines for the transfer of functions performed by the state agencies and entities subject to abolition under Section 531.0202 to HHSC under this subchapter.

(d) Requires the executive commissioner to submit the transition plan and the work plan to the committee, the governor, and the LBB not later than December 1, 2015. Requires the committee to comment on and make recommendations to the executive commissioner regarding any concerns or adjustments to the transition plan the committee determines appropriate.

Prohibits the executive commissioner from finalizing any transition or work plan until the executive commissioner has reviewed and considered the comments and recommendations of the committee regarding the transition plan.

(e) Requires the executive commissioner to publish in the Texas Register the transition plan developed under this section, any adjustments to the transition plan recommended by the committee, whether the executive commissioner adopted or otherwise incorporated the recommended adjustments, and if not, the justification for not adopting the adjustment.

Sec. 531.0205. **APPLICABILITY OF FORMER LAW.** Provides that an action brought or proceeding commenced before the date of a transfer prescribed by this subchapter in accordance with the transition plan required under Section 531.0204, including a contested case or a remand of an action or proceeding by a reviewing court, is governed by the laws and rules applicable to the action or proceeding before the transfer.

Sec. 531.0206. **LIMITED-SCOPE SUNSET REVIEW.** (a) Requires the Sunset Advisory Commission (Sunset) to conduct a limited-scope review of HHSC during the state fiscal biennium ending August 31, 2023, in the manner provided by Chapter 325 (Texas Sunset Act). Requires that the review provide an update on HHSC's progress with respect to the consolidation of the health and human services system mandated by this subchapter, including HHSC's compliance with the transition and work plans required under Section 531.0204 and any additional information Sunset determines appropriate, including information regarding any additional organizational changes Sunset recommends.

(b) Provides that HHSC is not abolished solely because HHSC is not explicitly continued following the review required by this section.

Sec. 531.0207. **EXPIRATION OF SUBCHAPTER.** Provides that this subchapter expires September 1, 2023.

(b) Requires the lieutenant governor, the speaker of the house of representatives, and the governor, not later than October 1, 2015, to make the appointments to the committee as required by Section 531.0203(c), Government Code, as added by this article, and requires the lieutenant governor and the speaker of the house of representatives, not later than October 1, 2015, to each designate a presiding co-chair of the committee in accordance with Section 531.0203(f), Government Code, as added by this article.

(c) Requires HHSC, as soon as appropriate under the consolidation under Subchapter A-1, Chapter 531 (Health and Human Services Commission), Government Code, as added by this article, and in a manner that minimizes disruption of services, to take appropriate action to be designated as the state agency responsible under federal law for any state or federal program for which federal law requires the designation of a responsible state agency and for which an agency subject to abolition under Section 531.0202, Government Code, as added by this article, is responsible.

(d) Prohibits a power, duty, program, function, or activity of DARS, notwithstanding Section 531.0201, Government Code, as added by this article, from being transferred to HHSC under that section if:

(1) H.B. No. 3294 or S.B. No. 208, 84th Legislature, Regular Session, 2015, or similar legislation of the 84th Legislature, Regular Session, 2015, is enacted, becomes law, and provides for the transfer of the power, duty, program, function, or activity to the Texas Workforce Commission (TWC) subject to receipt of any necessary federal approval or other authorization for the transfer to occur; and

(2) DARS or TWC receives the necessary federal approval or other authorization to enable the transfer to occur not later than September 1, 2016.

(e) Provides that, if neither DARS nor TWC receives the federal approval or other authorization described by Subsection (d) of this section to enable the transfer of the power, duty, program, function, or activity to TWC to occur not later than September 1, 2016, as provided by the legislation described by Subsection (d) of this section, the power, duty, program, function, or activity of DARS transfers to HHSC in accordance with Section 531.0201, Government Code, as added by this article, and the transition plan required under Section 531.0204, Government Code, as added by this article.

SECTION 1.02. Amends Subchapter A, Chapter 531, Government Code, by adding Sections 531.0011 and 531.0012, as follows:

Sec. 531.0011. REFERENCES IN LAW MEANING COMMISSION OR APPROPRIATE DIVISION. (a) Establishes that, in this code or in any other law, a reference to a health and human services agency, DSHS, DADS, DFPS, or DARS in relation to a function transferred under Section 531.0201 or 531.02011, as applicable, means HHSC or the division of HHSC performing the function previously performed by the state agency or entity before the transfer, as appropriate.

(b) Provides that, in this code or in any other law and notwithstanding any other law, a reference to any of the following state agencies or entities in relation to a function transferred under Section 531.0201 or 531.02011, as applicable, from the state agency that assumed the relevant function in accordance with Chapter 198 (H.B. 2292), Acts of the 78th Legislature, Regular Session, 2003, means HHSC or the division of HHSC performing the function previously performed by the agency that assumed the function before the transfer, as appropriate:

- (1) the Texas Department on Aging;
- (2) the Texas Commission on Alcohol and Drug Abuse;
- (3) the Texas Commission for the Blind (TCB);
- (4) the Texas Commission for the Deaf and Hard of Hearing (TCDHH);
- (5) the Texas Department of Health (TDH);
- (6) the Texas Department of Human Services (TDHS);
- (7) the Texas Department of Mental Health and Mental Retardation (TXMHMR);
- (8) the Texas Rehabilitation Commission;
- (9) the Texas Health Care Information Council; or
- (10) the Interagency Council on Early Childhood Intervention.

(c) Provides that, in this code or in any other law and notwithstanding any other law, a reference to the Department of Protective and Regulatory Services (DPRS), in relation to a function transferred under Section 531.0201 or Section 531.02011, as applicable, from DFPS means HHSC or the division of HHSC performing the function previously performed by DFPS before the transfer.

(d) Provides that that this section applies notwithstanding Section 531.001(4) (defining “health and human services agencies” to included DADS, DSHS, DARS, and DFPS). Provides that this subsection and Section 531.001(4) expire on the last day of the period prescribed by Section 531.02001(2).



Sec. 531.0012. REFERENCES IN LAW MEANING EXECUTIVE COMMISSIONER OR DESIGNEE. (a) Provides that, in this code or in any other law, a reference to any of the following persons in relation to a function transferred under Section 531.0201 or 531.02011, as applicable, means the executive commissioner, the executive commissioner's designee, or the director appointed under Section 531.00561 of the division of HHSC performing the function previously performed by the state agency from which it was transferred and that the person represented, as appropriate:

- (1) the commissioner of aging and disability services;
- (2) the commissioner of assistive and rehabilitative services;
- (3) the commissioner of state health services; or
- (4) the commissioner of DFPS.

(b) Provides that, in this code or in any other law and notwithstanding any other law, a reference to any of the following persons or entities in relation to a function transferred under Section 531.0201 or 531.02011, as applicable, from the state agency that assumed or continued to perform the function in accordance with Chapter 198 (H.B. 2292), Acts of the 78th Legislature, Regular Session, 2003, means the executive commissioner or the director appointed under Section 531.00561 of the division of HHSC performing the function performed before the enactment of Chapter 198 (H.B. 2292) by the state agency that was abolished or renamed by Chapter 198 (H.B. 2292) and that the person or entity represented:

- (1) an executive director or other chief administrative officer of a state agency listed in Section 531.0011(b) or of the Department of Protective and Regulatory Services (DPRS); or
- (2) the governing body of a state agency listed in Section 531.0011(b) or of DPRS.

(c) Provides that a reference to any of the following councils means the executive commissioner or the executive commissioner's designee, as appropriate, and a function of any of the following councils is a function of that appropriate person:

- (1) the Health and Human Services Council;
- (2) the State Health Services Council;
- (3) the Aging and Disability Services Council;
- (4) the Family and Protective Services Council; or
- (5) the Assistive and Rehabilitative Services Council.

SECTION 1.03. (a) Amends Subchapter A, Chapter 531, Government Code, by adding Section 531.0051, as follows:

Sec. 531.0051. HEALTH AND HUMAN SERVICES COMMISSION EXECUTIVE COUNCIL. (a) Provides that the Health and Human Services Commission Executive Council (council) is established to receive public input and advise the executive commissioner regarding the operation of HHSC. Requires the council to seek and receive public comment on proposed rules, recommendations of advisory committees, legislative appropriations requests or other documents related to the appropriations process, the operation of health and human services programs, and other items the executive commissioner determines appropriate.

(a-1) Requires the council to also receive public input and advise the executive commissioner regarding the operation of the health and human services agencies. Provides that this subsection expires on the last day of the period prescribed by Section 531.02001(2).

(b) Provides that the council does not have authority to make administrative or policy decisions.

(c) Provides that the council is composed of:

(1) the executive commissioner;

(2) the director of each division established by the executive commissioner under Section 531.008(c); and

(3) other individuals appointed by the executive commissioner as the executive commissioner determines necessary.

(d) Provides that the executive commissioner serves as the chair of the council and is required to adopt rules for the operation of the council.

(e) Provides that members of the council appointed under Subsection (c)(3) serve at the pleasure of the executive commissioner.

(f) Requires the council to meet at the call of the executive commissioner at least quarterly. Authorizes the executive commissioner to call additional meetings as the executive commissioner determines necessary.

(g) Requires the council to give public notice of the date, time, and place of each meeting held by the council. Requires that a live video transmission of each meeting be publicly available through the Internet.

(h) Establishes that a majority of the members of the council constitute a quorum for the transaction of business.

(i) Prohibits a council member appointed under Subsection (c)(3) from receiving compensation for service as a member of the council but provides that a member is entitled to reimbursement for travel expenses incurred by the member while conducting the business of the council as provided by the General Appropriations Act.

(j) Requires the executive commissioner to develop and implement policies that provide the public with a reasonable opportunity to appear before the council and to speak on any issue under the jurisdiction of HHSC.

(k) Provides that a meeting of individual members of the council that occurs in the ordinary course of HHSC operation is not a meeting of the council, and the requirements of Subsection (g) do not apply.

(l) Provides that this section does not limit the authority of the executive commissioner to establish additional advisory committees or councils.

(m) Establishes that Chapters 551 and 2110 (State Agency Advisory Committees) do not apply to the council.

(b) Requires the council established under Section 531.0051, Government Code, as soon as possible after the executive commissioner appoints division directors in accordance with Section 531.00561, Government Code, as added by this article, to begin operation.

SECTION 1.04. Amends the heading to Section 531.0055, Government Code, to read as follows:

Sec. 531.0055. EXECUTIVE COMMISSIONER: GENERAL RESPONSIBILITY FOR HEALTH AND HUMAN SERVICES SYSTEM.

SECTION 1.05. Amends Section 531.0055, Government Code, by amending Subsections (b), as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, amending Subsections (d), (e), (f), (g), (h), and (l), and adding Subsection (n), as follows:

(b) Requires HHSC to:

(1) Makes no change to this subdivision;

(2) perform information systems planning and management for the health and human services system, rather than health and human services agencies, under Section 531.0273 (Information Resources Planning and Management; Advisory Committee), with the provision of information technology services for the health and human services system considered to be a centralized administrative support service either performed by HHSC personnel or performed under a contract with HHSC and an emphasis on research and implementation on a demonstration or pilot basis of appropriate and efficient uses of new and existing technology to improve the operation of the health and human services system and delivery of health and human services;

(3) Makes conforming and nonsubstantive changes;

(4) and (5) Makes no change to these subdivisions.

(d) Makes conforming and nonsubstantive changes.

(e) Requires the executive commissioner, notwithstanding any other law, to adopt rules and policies for the operation of and provision of health and human services by the health and human services system. Requires the executive commissioner, in addition, as necessary to perform the functions described by Subsections (b), (c), and (d) in implementation of applicable policies established for a health and human services system agency or division, as applicable, by the executive commissioner, to perform certain duties relating to the management of supervision of the health and human services system. Sets forth such duties. Makes conforming and nonsubstantive changes.

(f) Provides that the operational authority and responsibility of the executive commissioner for purposes of Subsection (e) for each health and human services system agency or division, as applicable, includes authority over and responsibility for the:

(1) management of the daily operations of the agency or division, including the organization and management of the agency or division and its operating procedures;

(2) allocation of resources within the agency or division, including use of federal funds received by the agency or division;

(3) and (4) Makes no change to these subdivisions;

(5) information resources systems used by the agency or division;

(6) location of facilities, rather than agency facilities; and

(7) coordination of agency or division activities with activities of other components of the health and human services system and state agencies, rather

than coordination of agency activities with activities of other state agencies, including other health and human services agencies.

(g) Provides that, notwithstanding any other law, the operational authority and responsibility of the executive commissioner for purposes of Subsection (e) for each health and human services system agency or division, as applicable, includes the authority and responsibility to adopt or approve, subject to applicable limitations, any rate of payment or similar provision required by law to be adopted or approved by a health and human services system agency. Makes conforming and nonsubstantive changes.

(h) Makes conforming and nonsubstantive changes.

(l) Makes conforming and nonsubstantive changes.

(n) Provides that this subsection and Subsections (a) (defining “agency director”), (i) (authorizing the executive commissioner to delegate to an agency director), and (k) (relating to a memorandum of understanding between the executive commissioner and an agency director) expire on the last day of the period prescribed by Section 531.02001(2).

Makes conforming and nonsubstantive changes.

SECTION 1.06. Amends Section 531.00551, Government Code, as added by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, by adding Subsection (c) to provide that this section expires on the last day of the period prescribed by Section 531.02001(2).

SECTION 1.07. Amends Section 531.0056, Government Code, by adding Subsections (g) and (h), as follows:

(g) Provides that the requirements of this section apply with respect to a state agency listed in Section 531.001(4) only until the agency is abolished under Section 531.0202.

(h) Provides that this section expires on the last day of the period prescribed by Section 531.02001(2).

SECTION 1.08. (a) Amends Subchapter A, Chapter 531, Government Code, by adding Sections 531.00561 and 531.00562, as follows:

Sec. 531.00561. APPOINTMENT AND QUALIFICATIONS OF DIVISION DIRECTORS. (a) Requires the executive commissioner to appoint a director for each division established within HHSC under Sections 531.008.

(b) Requires the executive commissioner to develop clear qualifications for the director of each division appointed under this section that ensure that an individual appointed director has demonstrated experience in fields relevant to the director position and executive-level administrative and leadership experience and ensure that such qualifications are publicly available.

Sec. 531.00562. DIVISION DIRECTOR DUTIES. (a) Requires the executive commissioner to clearly define the duties and responsibilities of a division director appointed under Section 531.00561, and develop clear policies for the delegation of specific decision-making authority, including budget authority, to division directors.

(b) Provides that the delegation of decision-making authority should be significant enough to ensure the efficient administration of HHSC’s programs and services.

(b) Requires the executive commissioner to implement Sections 531.00561 and 531.00562, Government Code, as added by this article, on the date specified in the

transition plan required under Section 531.0204, Government Code, as added by this article.

SECTION 1.09. (a) Amends Section 531.008, Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

Sec. 531.008. DIVISIONS OF COMMISSION. (a) Requires the executive commissioner to establish divisions within HHSC along functional lines as necessary for effective administration and for the discharge of HHSC's functions, rather than authorizes the executive commissioner, subject to Subsection (c), to establish divisions within HHSC as necessary for effective administration and for the discharge of HHSC's functions.

(b) Authorizes the executive commissioner, rather than authorizes the executive commissioner, subject to Subsection (c), to allocate and reallocate functions among HHSC's divisions.

(c) Requires the executive commissioner, notwithstanding Subsections (a) and (b), to establish the following divisions and offices within HHSC:

(1) a medical and social services division, rather than the eligibility services division to make eligibility determinations for services provided through HHSC or a health and human services agency related to certain programs and a financial assistance program as set forth;

(2) the office of inspector general to perform fraud and abuse investigation and enforcement functions as provided by Subchapter C and other law;

(3) a regulatory division, rather than the office of the ombudsman to provide certain services and functions;

(4) an administrative division, rather than a purchasing division as provided by Section 531.017; and

(5) a facilities division for the purpose of administering state facilities, including state hospitals and state-supported living centers, rather than an internal audit division to conduct a program of internal auditing in accordance with Chapter 2102 (Internal Auditing).

(d) Provides that Subsection (c) does not prohibit the executive commissioner from establishing additional divisions under Subsection (a) as the executive commissioner determines appropriate. Provides that this subsection and Subsection (c) expire September 1, 2023.

(b) Requires the executive commissioner to establish divisions within HHSC as required under Section 531.008, Government Code, as amended by this article, on the date specified in the transition plan required under Section 531.0204, Government Code, as added by this article.

SECTION 1.10. (a) Amends Subchapter A, Chapter 531, Government Code, by adding Section 531.0083, as follows:

Sec. 531.0083. OFFICE OF POLICY AND PERFORMANCE. (a) Defines "office."

(b) Requires the executive commissioner to establish the office of policy and performance (office) as an executive-level office designed to

coordinate policy and performance efforts across the health and human services system. Requires the office, to coordinate those efforts, to:

(1) develop a performance management system;

(2) take the lead in supporting and providing oversight for the implementation of major policy changes and in managing organizational changes; and

(3) act as a centralized body of experts within HHSC that offers program evaluation and process improvement expertise.

(c) Requires the office, in developing a performance management system under Subsection (b)(1), to gather, measure, and evaluate performance measures and accountability systems used by the health and human services system, develop new and refined performance measures as appropriate, and establish targeted, high-level system metrics that are capable of measuring and communicating overall performance and achievement of goals by the health and human services system to both internal and public audiences through various mechanisms, including the Internet.

(d) Requires the office, in providing support and oversight for the implementation of policy or organizational changes within the health and human services system under Subsection (b)(2), to:

(1) ensure individuals receiving services from or participating in programs administered through the health and human services system do not lose visibility or attention during the implementation of any new policy or organizational change by performing certain duties as set forth;

(2) address cultural differences among staff of the health and human services system; and

(3) track and oversee changes in policy or organization mandated by legislation or administrative rule.

(e) Requires the office, in acting as a centralized body of experts under Subsection (b)(3), to provide program evaluation and process improvement guidance both generally and for specific projects identified with executive or stakeholder input or through risk analysis for the health and human service system and identify and monitor cross-functional efforts involving different administrative components within the health and human services system and the establishment of cross-functional teams when necessary to improve the coordination of services provided through the system.

(f) Authorizes the executive commissioner to otherwise develop the office's structure and duties as the executive commissioner determines appropriate.

(b) Requires the executive commissioner, as soon as practicable after the effective date of this article but not later than October 1, 2015, to establish the office as an executive office within HHSC as required under Section 531.0083, Government Code, as added by this article.

(c) Requires the office required under Section 531.0083, Government Code, as added by this article, to assist the Health and Human Services Transition Legislative Oversight Committee created under Section 531.0203, Government Code, by performing the

functions required of the office under Section 531.0083(b)(2), Government Code, as added by this article, with respect to the consolidation mandated by Subchapter A-1, Chapter 531, Government Code, as added by this article.

SECTION 1.11. Amends Section 531.017, Government Code, as follows:

Sec. 531.017. New heading: PURCHASING UNIT. (a) Requires HHSC to establish a purchasing unit for the management of administrative activities related to the purchasing functions within the health and human services system, rather than requires HHSC to establish a purchasing division for the management of administrative activities related to the purchasing functions of HHSC and the health and human services agencies.

(b) Requires the purchasing unit to seek to achieve targeted cost reductions, increase process efficiencies, improve technological support and customer services, and enhance purchasing support within the health and human services system and, if cost-effective, contract with private entities to perform purchasing functions for the health and human services system. Makes conforming and nonsubstantive changes to this subsection.

SECTION 1.12. (a) Amends Sections 40.0515(d) and (e), Human Resources Code, as follows:

(d) Provides that a performance review conducted under Subsection (b)(3) (requiring DFPS to establish procedures for conducting periodic performance reviews) is considered a performance evaluation for purposes of Section 40.032(c) (requiring the executive director to develop a system of annual performance evaluations) of this code or Section 531.009(c) (relating to a system of annual performance evaluations based on measurable job tasks), Government Code, as applicable. Requires DFPS to ensure that disciplinary or other corrective action is taken against a supervisor or other managerial employee who is required to conduct a performance evaluation for adult protective services personnel under Section 40.032(c) of this code or Section 531.009(c), Government Code, as applicable, or a performance review under Subsection (b)(3) and who fails to complete that evaluation or review in a timely manner.

(e) Makes a conforming change.

(b) Amends Sections 40.0515(d) and (e), Human Resources Code, effective September 1, 2019, as follows:

(d) Provides that a performance review conducted under Subsection (b)(3) is considered a performance evaluation for purposes of Section 531.009(c), Government Code, rather than Section 40.032(c). Requires DFPS to ensure that disciplinary or other corrective action is taken against a supervisor or other managerial employee who is required to conduct a performance evaluation for adult protective services personnel under Section 531.009(c), Government Code, rather than Section 40.032(c), or a performance review under Subsection (b)(3) and who fails to complete that evaluation or review in a timely manner.

(e) Makes a conforming change.

SECTION 1.13. (a) Amends the heading to Subchapter C, Chapter 112, Human Resources Code, to read as follows:

#### SUBCHAPTER C. PREVENTION OF DEVELOPMENTAL DISABILITIES

(b) Amends Section 112.042, Human Resources Code, by amending Subdivision (1) and adding Subdivisions (1-a) and (1-b), as follows:

(1) Defines “commission.”

(1-a) Creates this subdivision from existing Subdivision (1) and makes no further change to this subdivision.

(1-b) Defines “executive commissioner.”

(c) Amends Subchapter C, Chapter 112, Human Resources Code, by adding Sections 112.0421 and 112.0431, as follows:

Sec. 112.0421. APPLICABILITY AND EXPIRATION OF CERTAIN PROVISIONS. (a) Provides that Sections 112.041(a) (establishing the Office for the Prevention of Developmental Disabilities), 112.043 (Office for the Prevention of Developmental Disabilities; Administrative Attachment), 112.045 (Executive Committee), 112.0451 (Conflict of Interest), 112.0452 (Removal of Executive Committee Member), 112.0453 (Executive Committee Member Training), 112.0454 (Public Access), 112.046 (Board of Advisors), 112.047 (Executive Director), 112.0471 (Qualifications and Standards of Conduct), and 112.0472 (Equal Employment Opportunity Policies) apply only until the date the executive commissioner begins to administer this subchapter and HHSC assumes the duties and functions of the Office for the Prevention of Developmental Disabilities (TOPDD) in accordance with Section 112.0431.

(b) Provides that, on the date the provisions listed in Subsection (a) cease to apply, the executive committee under Section 112.045 and the board of advisors under Section 112.046 are abolished.

(c) Provides that this section and Sections 112.041(a), 112.043, 112.045, 112.0451, 112.0452, 112.0453, 112.0454, 112.046, 112.047, 112.0471, and 112.0472 expire on the last day of the period prescribed by Section 531.02001(1), Government Code.

Sec. 112.0431. ADMINISTRATION OF SUBCHAPTER; CERTAIN REFERENCES. (a) Requires the executive commissioner, notwithstanding any other provision in this subchapter, to administer this subchapter beginning on the date specified in the transition plan under Section 531.0204, Government Code, and requires HHSC to perform the duties and functions of TOPDD in the organizational form the executive commissioner determines appropriate.

(b) Provides that, following the assumption of the administration of this subchapter by the executive commissioner and the duties and functions by HHSC in accordance with Subsection (a):

(1) a reference in this subchapter to the office, TOPDD, or the executive committee of TOPDD means HHSC, the division or other organizational unit within HHSC designated by the executive commissioner, or the executive commissioner, as appropriate; and

(2) a reference in any other law to TOPDD has the meaning assigned by Subdivision (1).

(d) Amends Section 112.044, Human Resources Code, as follows:

Sec. 112.044. DUTIES. Requires TOPDD to:

(1) and (2) Makes no change to these subdivisions;

(3) work with appropriate divisions within HHSC, state agencies, and other entities to develop a coordinated long-range plan to effectively monitor and reduce the incidence or severity of developmental disabilities;

(4)-(6) Makes no change to these subdivisions;



(7) develop, operate, and monitor programs created under Section 112.048 (Task Forces) addressing the prevention of specific targeted developmental disabilities, rather than develop, operate, and monitor task forces to address prevention of specific targeted developmental disabilities;

(8) monitor and assess the effectiveness of divisions within HHSC and of state agencies in preventing developmental disabilities;

(9) recommend the role each division within HHSC and each state agency should have with regard to prevention of developmental disabilities;

(10) facilitate coordination of state agency prevention services and activities within HHSC and among appropriate state agencies; and

(11) Makes no change this subdivision.

Makes nonsubstantive changes.

(e) Amends Sections 112.048 and 112.049, Human Resources Code, as follows:

Sec. 112.048. New heading: PREVENTION PROGRAMS FOR TARGETED DEVELOPMENTAL DISABILITIES. (a) Requires the executive committee of TOPDD to establish guidelines for certain purposes.

(b) Requires the executive committee to plan and implement prevention programs for specifically targeted developmental disabilities, rather than requires the executive committee to create task forces made up of members of the board of advisors to plan and implement prevention programs for specifically targeted developmental disabilities. Deletes existing text providing that a task force operates as an administrative division of the office and can be abolished when it is ineffective or is no longer needed.

(c) Requires that a program under this section include a plan designed to reduce the incidence of a specifically targeted disability and a budget for implementing a plan, be funded through contracts for services from participating agencies, grants and gifts from private persons and consumer and advocacy organizations, and foundation support, and be approved by the executive committee.

Deletes existing text requiring a task force to develop a plan designed to reduce the incidence of a specifically targeted disability, prepare a budget for implementing a plan, arrange for funds through contracts for services from participating agencies, grants and gifts from private persons and consumer and advocacy organizations, and foundation support, and submit the plan, budget, and evidence of funding commitments to the executive committee for approval.

Deletes existing Subsection (d) requiring a task force to regularly report to the executive committee, as required by the committee, the operation, progress, and results of the task force's prevention plan.

Sec. 112.049. EVALUATION. (a) Requires TOPDD to identify or encourage the establishment of needed statistical bases for each targeted group against which the office can measure how effectively a program under Section 112.048, rather than a task force program, is reducing the frequency or severity of a targeted developmental disability.

(b) Makes a conforming change.

(f) Amends the heading to Section 112.050, Human Resources Code, to read as follows:

Sec. 112.050. GRANTS AND OTHER FUNDING.

(g) Amends Section 112.050, Human Resources Code, by amending Subsection (c) and adding Subsection (d), as follows:

(c) Prohibits the executive committee from submitting a legislative appropriation request for general revenue funds for purposes of this subchapter.

(d) Authorizes TOPDD, in addition to funding under Subsection (a), to accept and solicit gifts, donations, and grants of money from public and private sources, including the federal government, local governments, and private entities, to assist in financing the duties and functions of TOPDD. Requires HHSC to support TOPDD fund-raising efforts authorized by this subsection. Requires that funds raised under this subsection only be spent in furtherance of a duty or function of TOPDD or in accordance with rules applicable to the office.

(h) Amends Section 112.051, Human Resources Code, as follows:

Sec. 112.051. REPORTS TO LEGISLATURE. Requires TOPDD to submit by February 1 of each odd-numbered year biennial reports to the legislature detailing findings of TOPDD and the results of programs under Section 112.048, rather than task force prevention programs, and recommending improvements in the delivery of developmental disability prevention services.

(i) Requires TOPDD and any administrative entity of TOPDD, notwithstanding the changes in law made by this section, to continue to operate under the law as it existed before the effective date of this article, and provides that that law is continued in effect for that purpose, until the executive commissioner begins administering Subchapter C, Chapter 112 (Developmental Disabilities), Human Resources Code, as amended by this article, and HHSC begins performing the duties and functions TOPDD as required by Section 112.0431, Human Resources Code, as added by this article, on the date specified in the transition plan required under Section 531.0204, Government Code, as added by this article.

(j) Requires the executive commissioner to begin administering Subchapter C, Chapter 112, Human Resources Code, as amended by this article, and requires HHSC to begin performing the duties and functions of TOPDD as required by Section 112.0431, Human Resources Code, as added by this article, on the date specified in the transition plan required under Section 531.0204, Government Code, as added by this article.

SECTION 1.14. (a) Amends the heading to Chapter 114, Human Resources Code, to read as follows:

#### CHAPTER 114. AUTISM AND PERVASIVE DEVELOPMENTAL DISORDERS

(b) Amends Section 114.002, Human Resources Code, by adding Subdivisions (1-a) and (3) to define “commission” and “executive commissioner.”

(c) Amends Chapter 114, Human Resources Code, by adding Sections 114.0021 and 114.0031, as follows:

Sec. 114.0021. APPLICABILITY AND EXPIRATION OF CERTAIN PROVISIONS. (a) Provides that Sections 114.001 (Short Title), 114.003 (Council), 114.004 (Staff Support), 114.005 (Advisory Task Force), 114.007(a) (requiring the Texas Council on Autism and Pervasive Developmental Disorders to provide recommendations to HHSC), and 114.010(d) (appropriating funds to

the Texas Council on Autism and Pervasive Developmental Disorders) apply only until the date the executive commissioner begins to administer this chapter and HHSC assumes the duties and functions of the Texas Council on Autism and Pervasive Developmental Disorders (TCAPDD) in accordance with Section 114.0031.

(b) Provides that, on the date the provisions listed in Subsection (a) cease to apply, TCAPDD is abolished.

(c) Provides that this section and Sections 114.001, 114.003, 114.004, 114.005, 114.007(a), and 114.010(d) expire on the last day of the period prescribed by Section 531.02001(1), Government Code.

**Sec. 114.0031. ADMINISTRATION OF CHAPTER; CERTAIN REFERENCES.**

(a) Requires the executive commissioner, notwithstanding any other provision in this chapter, to administer this chapter beginning on the date specified in the transition plan under Section 531.0204, Government Code, and requires HHSC to perform the duties and functions of TCAPDD in the organizational form the executive commissioner determines appropriate.

(b) Provides that, following the assumption of the administration of this chapter by the executive commissioner and the duties and functions by HHSC in accordance with Subsection (a):

(1) a reference in this chapter to the council, TCAPDD, or an agency represented on TCAPDD, means HHSC, the division or other organizational unit within HHSC designated by the executive commissioner, or the executive commissioner, as appropriate; and

(2) a reference in any other law to TCAPDD has the meaning assigned by Subdivision (1).

(d) Amends Section 114.006(b), Human Resources Code, to require TCAPDD, if TCAPDD considers a recommendation that will affect another state agency, to seek the advice and assistance of the agency before taking action on the recommendation, rather than to require TCAPDD, if TCAPDD considers a recommendation that will affect an agency not represented on TCAPDD, to seek the advice and assistance of the agency before taking action on the recommendation.

(e) Amends Sections 114.007(b) and (c), Human Resources Code, as follows:

(b) Deletes existing text requiring TCAPDD to address certain contemporary issues affecting services available to persons with autism or other pervasive developmental disorders in this state with the advice of the advisory task force.

(c) Makes a conforming change.

(f) Amends Section 114.008, Human Resources Code, as follows:

**Sec. 114.008. REPORT.** (a) Requires TCAPDD, not later than November 1 of each even-numbered year, to prepare a report summarizing requirements TCAPDD identifies and recommendations for providing additional or improved services to persons with autism or other pervasive developmental disorders and deliver the report to the executive commissioner, the governor, the lieutenant governor, and the speaker of the house of representatives. Makes nonsubstantive changes.

(b) Deletes existing text requiring TCAPDD to develop a strategy for establishing new programs from input from the task force.

Deletes existing text requiring the agencies represented on TCAPDD and the public members to make a report to TCAPDD and requiring TCAPDD to prepare and deliver the report to the executive commissioner, the governor, the lieutenant governor, and the speaker of the house of representatives not later than November 1 of each even-numbered year.

(g) Amends Section 114.013, Human Resources Code, as follows:

Sec. 114.013. New heading: COORDINATION OF RESOURCES FOR INDIVIDUALS WITH AUTISM SPECTRUM DISORDERS. (a) Requires HHSC to coordinate resources for individuals with autism and other pervasive developmental disorders and their families. Requires HHSC, in coordinating those resources, to consult with appropriate state agencies.

(b) Requires HHSC, as part of coordinating resources under Subsection (a), to perform certain duties. Sets forth such duties.

Deletes existing text requiring HHSC to establish and administer an autism spectrum disorders resource center to coordinate resources for individuals with autism and other pervasive developmental disorders and their families, and in establishing and administering the center, consult with TCAPDD and coordinate with appropriate state agencies, including each agency represented on TCAPDD, and design the center to perform certain duties.

Makes conforming and nonsubstantive changes.

(h) Requires TCAPDD and any administrative entity of TCAPDD, notwithstanding the changes in law made by this section, to continue to operate under the law as it existed before the effective date of this article, and that law is continued in effect for that purpose, until the executive commissioner begins administering Chapter 114 (Texas Council on Autism and Pervasive Developmental Disorders), Human Resources Code, as amended by this article, and HHSC begins performing the duties and functions of TCAPDD as required by Section 114.0031, Human Resources Code, as added by this article, on the date specified in the transition plan required under Section 531.0204, Government Code, as added by this article.

(i) Requires the executive commissioner to begin administering Chapter 114, Human Resources Code, as amended by this article, and requires HHSC to begin performing the duties and functions of TCAPDD as required by Section 114.0031, Human Resources Code, as added by this article, on the date specified in the transition plan required under Section 531.0204, Government Code, as added by this article.

SECTION 1.15. (a) Repealer, effective September 1, 2016: Subchapter K (Health and Human Services Council), Chapter 531, Government Code, including provisions amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015.

(b) Repealers, effective September 1, 2016:

Section 1001.021 (State Health Services Council), Health and Safety Code;

Section 1001.022 (Appointments), Health and Safety Code;

Section 1001.023 (Training Program for Council Members), Health and Safety Code;

Section 1001.024 (Terms), Health and Safety Code;

Section 1001.025 (Vacancy), Health and Safety Code;

Section 1001.026 (Presiding Officer; Other Officers; Meetings), Health and Safety Code; and

Section 1001.027 (Reimbursement for Expenses), Health and Safety Code;

(c) Repealers, effective September 1, 2016, including provisions amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015:

Section 40.021 (Family and Protective Services Council), Human Resources Code;

Section 40.022 (Appointments), Human Resources Code;

Section 40.0226 (Training Program for Council Members), Human Resources Code;

Section 40.024 (Terms; Vacancy), Human Resources Code;

Section 40.025 (Reimbursement for Expenses), Human Resources Code;

Section 40.026 (Presiding Officer; Other Officers; Meetings), Human Resources Code;

Section 117.002 (Agency), Human Resources Code;

Section 117.021 (Assistive and Rehabilitative Services Council), Human Resources Code;

Section 117.022 (Appointments), Human Resources Code;

Section 117.023 (Training Program for Council Members), Human Resources Code;

Section 117.024 (Terms), Human Resources Code;

Section 117.025 (Vacancy), Human Resources Code;

Section 117.026 (Presiding Officer; Other Officers; Meetings), Human Resources Code;

Section 117.027 (Reimbursement for Expenses), Human Resources Code;

Section 117.028 (Public Interest Information and Complaints), Human Resources Code;

Section 117.029 (Public Access and Testimony), Human Resources Code;

Section 117.030 (Policymaking and Management Responsibilities), Human Resources Code;

Section 117.032 (Offices), Human Resources Code;

Section 117.051 (Commissioner), Human Resources Code;

Section 117.052 (Personnel), Human Resources Code;

Section 117.053 (Information About Qualifications and Standards of Conduct), Human Resources Code;

Section 117.054 (Merit Pay), Human Resources Code;

Section 117.055 (Career Ladder), Human Resources Code;

Section 117.056 (Equal Employment Opportunity Policy), Human Resources Code;

Section 117.072 (Information Regarding Complaints), Human Resources Code;

Section 161.002 (Agency), Human Resources Code;

Subchapter B (Administrative Provisions), Chapter 161 (Department of Aging and Disability Services), Human Resources Code;

Section 161.051 (Commissioner), Human Resources Code;

Section 161.052 (Personnel), Human Resources Code;

Section 161.053 (Information About Qualifications and Standards of Conduct), Human Resources Code;

Section 161.054 (Merit Pay), Human Resources Code;

Section 161.055 (Career Ladder), Human Resources Code;

Section 161.056 (Equal Employment Opportunity Policy), Human Resources Code; and

Section 161.072 (Information Regarding Complaints), Human Resources Code.

SECTION 1.16. (a) Repealer, effective September 1, 2019: Section 531.0163 (Memorandum of Understanding), Government Code.

(b) Repealers, effective September 1, 2019, including provisions amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015:

Section 1001.002 (Agency), Health and Safety Code;

Section 1001.028 (Public Interest Information and Complaints), Health and Safety Code;

Section 1001.029 (Public Access and Testimony), Health and Safety Code;

Section 1001.030 (Policymaking and Management Responsibilities), Health and Safety Code;

Section 1001.032 (Offices), Health and Safety Code;

Subchapter C (Personnel), Chapter 1001 (Department of State Health Services), Health and Safety Code; and

Section 1001.074 (Information Regarding Complaints), Health and Safety Code.

(c) Repealers, effective September 1, 2019, including provisions amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015:

Section 40.002(a) (relating to the composition of DFPS), Human Resources Code;

Section 40.004 (Public Interest Information and Public Access), Human Resources Code;

Section 40.0041 (Complaint Process), Human Resources Code;

Section 40.027 (Commissioner), Human Resources Code;

Section 40.032 (Personnel), Human Resources Code; and

Section 40.033 (Merit System), Human Resources Code.

SECTION 1.17. Provides that, notwithstanding Sections 1.15 and 1.16 of this article, the implementation of a provision repealed by those sections ceases on the date the responsible state agency or entity listed in Section 531.0202, Government Code, as added by this article, is abolished as provided by Subchapter A-1, Chapter 531, Government Code, as added by this article.

## ARTICLE 2. HEALTH AND HUMAN SERVICES SYSTEM OPERATIONS

SECTION 2.01. Amends Section 531.001, Government Code, by adding Subdivision (3-a) to define "health and human services system."

SECTION 2.02. Amends Subchapter A, Chapter 531, Government Code, by adding Section 531.00552, as follows:

Sec. 531.00552. CONSOLIDATED INTERNAL AUDIT PROGRAM. (a) Requires HHSC, notwithstanding Section 2102.005 (Internal Auditing Required), to operate the internal audit program required under Chapter 2102 for HHSC and each health and human services agency as a consolidated internal audit program.

(b) Provides that, for purposes of this section, a reference in Chapter 2102 to the administrator of a state agency with respect to a health and human services agency means the executive commissioner.

(c) Provides that this section expires on the last day of the period prescribed by Section 531.02001(2).

SECTION 2.03. Amends Section 531.006, Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

Sec. 531.006. New heading: ELIGIBILITY FOR APPOINTMENT AS EXECUTIVE COMMISSIONER; EMPLOYEE RESTRICTIONS. (a) Defines "Texas trade association."

(a-1) Creates this subsection from existing text. Prohibits a person from being appointed as executive commissioner, from serving on HHSC's executive council, and from being an HHSC employee employed in a "bona fide executive, administrative, or professional capacity," as that phrase is used for purposes of establishing an exemption to the overtime provisions of the federal Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.) if:

(1) the person is an officer, employee, or paid consultant of a Texas trade association in the field of health and human services; or

(2) the person's spouse is an officer, manager, or paid consultant of a Texas trade association in the field of health and human services.

(b) Prohibits a person from being appointed as executive commissioner or acting as general counsel of HHSC if the person is required to register as a lobbyist under Chapter 305 (Registration of Lobbyists) because of the person's activities for compensation on behalf of a profession related to the operation of HHSC.

(c) Prohibits a person from being appointed as executive commissioner if the person has a financial interest in a corporation, organization, or association under contract with HHSC or a health and human services agency, a local mental health or intellectual and developmental disability authority, or a community center.

Deletes existing text providing that a person is not eligible for appointment as commissioner if the person or the person's spouse is an employee, officer, or paid consultant of a trade association in a field under HHSC's jurisdiction, prohibiting a person who is required to register as a lobbyist under Chapter 305 because of the person's activities for compensation in or on behalf of a profession related to a field under HHSC's jurisdiction from serving as executive commissioner, and establishing that a person is not eligible for appointment as commissioner if the person has a financial interest in a corporation, organization, or association under contract with DSHS, if the contract involves intellectual and developmental disability services, a local mental health or mental retardation authority, or a community center.

Makes nonsubstantive changes.

SECTION 2.04. Amends Section 531.0161, Government Code, by adding Subsection (c), to require HHSC to coordinate the implementation of the policy developed under Subsection (a) (relating to negotiated rulemaking procedures within HHSC), provide training as needed to implement the procedures for negotiated rulemaking or alternative dispute resolution, and collect data concerning the effectiveness of those procedures.

SECTION 2.05. (a) Amends Subchapter A, Chapter 531, Government Code, by adding Section 531.0164, as follows:

Sec. 531.0164. HEALTH AND HUMAN SERVICES SYSTEM INTERNET WEBSITE COORDINATION. Requires HHSC to establish a process to ensure Internet websites across the health and human services system are developed and maintained according to standard criteria for uniformity, efficiency, and technical capabilities. Requires HHSC, under the process, to develop and maintain an inventory of all health and human services system Internet websites, perform certain evaluations on an ongoing basis, and, if appropriate, consolidate certain websites.

(b) Requires HHSC to implement Section 531.0164, Government Code, as added by this article, as soon as possible after the effective date of this article.

(c) Requires HHSC, as soon as possible after a state agency or entity is abolished as provided by Section 531.0202, Government Code, as added by this Act, in accordance with Section 531.0164, Government Code, as added by this article, to ensure that an Internet website operated by or relating to the abolished state agency or entity is updated, transferred, or consolidated to reflect the consolidation mandated by Subchapter A-1, Chapter 531, Government Code, as added by this Act.

SECTION 2.06. (a) Amends Subchapter A, Chapter 531, Government Code, by adding Section 531.0171, as follows:

Sec. 531.0171. OFFICE OF OMBUDSMAN. (a) Requires the executive commissioner to establish HHSC's office of the ombudsman with authority and responsibility over the health and human services system in providing dispute resolution services for the health and human services system, performing certain consumer protection and advocacy functions related to health and human services, and collecting inquiry and complaint data related to the health and human services system.

(b) Provides that the office of the ombudsman does not have the authority to provide a separate process for resolving complaints or appeals.



(c) Requires the executive commissioner to develop a standard process for tracking and reporting received inquiries and complaints within the health and human services system. Requires that the process provide for the centralized tracking of inquiries and complaints submitted to field, regional, or other local health and human services system offices.

(d) Requires the office of the ombudsman, using the process developed under Subsection (c), to collect inquiry and complaint data from all offices, agencies, divisions, and other entities within the health and human services system. Authorizes the office, to assist with the collection of data under this subsection, to access any system or process for recording inquiries and complaints used or maintained within the health and human services system.

(b) Requires the executive commissioner to implement Section 531.0171, Government Code, as added by this article, as soon as possible after the effective date of this article.

(c) Provides that, notwithstanding any other provision of state law, each office of an ombudsman established before the effective date of this section that performs ombudsman duties for a state agency or entity subject to abolition under Section 531.0202, Government Code, as added by this Act, is abolished on the date the state agency or entity for which the office performs ombudsman duties is abolished in accordance with the transition plan under Section 531.0204, Government Code, as added by this Act, except that the following are not abolished and continue in existence:

(1) the office of independent ombudsman for state supported living centers established under Subchapter C (Office of Independent Ombudsman for State Supported Living Centers), Chapter 555 (State Supported Living Centers), Health and Safety Code;

(2) the office of the state long-term care ombudsman; and

(3) any other ombudsman office serving all or part of the health and human services system that is required by federal law.

(d) Requires the executive commissioner to certify which offices of ombudsman are abolished, and which are exempt from abolition, under Subsection (c) of this section and to publish that certification in the Texas Register not later than September 1, 2016.

SECTION 2.07. (a) Amends Subchapter A, Chapter 531, Government Code, by adding Section 531.0192, as follows:

Sec. 531.0192. HEALTH AND HUMAN SERVICES SYSTEM HOTLINE AND CALL CENTER COORDINATION. (a) Requires HHSC to establish a process to ensure all health and human services system hotlines and call centers are necessary and appropriate. Requires HHSC to, under the process, develop certain assessment and inventory criteria, use such criteria to periodically consolidate hotlines and call centers along appropriate functional lines, and develop an approval process.

(b) Requires HHSC, in consolidating hotlines and call centers along appropriate functional lines, to seek to maximize the use and effectiveness of HHSC's 2-1-1 telephone number.

(b) Requires HHSC to implement Section 531.0192, Government Code, as added by this article, as soon as possible after the effective date of this article.

(c) Requires HHSC to complete an initial assessment and consolidation of hotlines and call centers, as required by Section 531.0192, Government Code, as added by this article, not later than March 1, 2016.

(d) Requires HHSC, as soon as possible after a state agency or entity is abolished as provided by Section 531.0202, Government Code, as added by this Act, in accordance with Section 531.0192, Government Code, as added by this article, to ensure a hotline or call center operated or administered by the abolished state agency or entity is transferred or consolidated to reflect the consolidation mandated by Subchapter A-1, Chapter 531, Government Code, as added by this Act.

SECTION 2.08. (a) Amends Section 531.02111(b), Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

(b) Requires that the quarterly report of Medicaid expenditures include certain information as set forth, including information regarding the amount spent on each type of service or benefit provided by or under the Medicaid component, on component operations, including eligibility determinations, claims processing, case management, and any other administrative cost, for each Medicaid component identified in the report. Deletes existing text requiring that the report include, for each Medicaid component identified in the report, information required by Section 531.02112(b) (relating to the requirements of the quarterly report of Medicaid expenditures). Makes nonsubstantive changes.

(b) Repealers, including provisions amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015:

Section 531.02112 (relating to the requirements of the quarterly report of Medicaid expenditures), Government Code;

Section 531.03131(f) (requiring HHSC to file a report on the use of the Internet site in the provision of child-care and education services) and (g) (authorizing the report to be made in conjunction with any other HHSC report), Government Code;

Section 2155.144(o) (requiring HHSC to prepare an annual assessment report of each health and human services agency), Government Code; and

Section 22.0251(b) (requiring TDHS to submit an annual progress report), Human Resources Code.

SECTION 2.09. (a) Amends Subchapter B, Chapter 531, Government Code, by adding Section 531.02118, as follows:

Sec. 531.02118. STREAMLINING MEDICAID PROVIDER ENROLLMENT AND CREDENTIALING PROCESSES. (a) Requires HHSC to streamline provider enrollment and credentialing processes under Medicaid.

(b) Requires HHSC, in streamlining the Medicaid provider enrollment process, to establish a centralized Internet portal through which providers may enroll in Medicaid. Authorizes HHSC to use the Internet portal created under this subsection to create a single, consolidated Medicaid provider enrollment and credentialing process.

(c) Authorizes HHSC, in streamlining the Medicaid provider credentialing process under this section, to designate a centralized credentialing entity, share information in the database established under Subchapter C (Medical Assistance Program Provider Database), Chapter 32 (Medical Assistance Program), Human Resources Code, with the centralized credentialing entity, and require all managed care organizations

contracting with HHSC to provide health care services to Medicaid recipients under a managed care plan issued by the organization to use the centralized credentialing entity as a hub for the collection and sharing of information.

(d) Authorizes HHSC, if cost-effective, to contract with a third party to develop the single, consolidated Medicaid provider enrollment and credentialing process authorized under Subsection (b).

(b) Requires HHSC to streamline provider enrollment and credentialing processes as required under Section 531.02118, Government Code, as added by this article, not later than September 1, 2016.

SECTION 2.10. (a) Amends Section 531.02141, Government Code, by adding Subsections (c), (d), and (e), as follows:

(c) Requires HHSC to regularly evaluate data submitted by managed care organizations that contract with HHSC under Chapter 533 (Implementation of Medicaid Managed Care Program) to determine whether the data continues to serve a useful purpose and additional data is needed to oversee contracts or evaluate the effectiveness of Medicaid.

(d) Requires HHSC to collect Medicaid managed care data that effectively captures the quality of services received by Medicaid recipients.

(e) Requires HHSC to develop a dashboard for agency leadership that is designed to assist leadership with overseeing Medicaid and comparing the performance of managed care organizations participating in Medicaid. Requires that the dashboard identify a concise number of important Medicaid indicators, including key data, performance measures, trends, and problems.

(b) Requires HHSC to develop the dashboard required by Section 531.02141(e), Government Code, as added by this article, not later than March 1, 2016.

SECTION 2.11. Amends Subchapter B, Chapter 531, Government Code, by adding Section 531.02731, as follows:

Sec. 531.02731. REPORT OF INFORMATION RESOURCES MANAGER TO COMMISSION. (a) Requires the information resources manager of a health and human services agency, notwithstanding Section 2054.075(b) (requiring each state agency to provide that its information resources manager is part of the agency's executive management), to report directly to the executive commissioner or a deputy executive commissioner designated by the executive commissioner.

(b) Provides that this section expires on the last day of the period prescribed by Section 531.02001(2).

SECTION 2.12. Amends Section 531.102, Government Code, by adding Subsections (p) and (q), as follows:

(p) Requires the office of inspector general of HHSC (OIG), in accordance with Section 533.015(b), to consult with the executive commissioner regarding the adoption of rules defining OIG's role in and jurisdiction over, and the frequency of, audits of managed care organizations participating in Medicaid that are conducted by OIG and HHSC.

(q) Requires OIG to coordinate all audit and oversight activities, including the development of audit plans, risk assessments, and findings, with HHSC to minimize the duplication of activities. Requires OIG, in coordinating activities under this subsection, to seek input from HHSC and consider previous audits and onsite visits made by HHSC for purposes of determining whether to audit a managed care organization participating in

Medicaid on an annual basis and request the results of any informal audit or onsite visit performed by HHSC that could inform OIG's risk assessment when determining whether to conduct, or the scope of, an audit of a managed care organization participating in Medicaid.

SECTION 2.13. (a) Amends Section 531.1031(a), Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

(a) Provides that, in this section and Sections 531.1032, 531.1033, and 531.1034:

(1) Redefines "health care professional."

(1-a) Defines "license."

(1-b) Defines "licensing authority."

(1-c) Defines "office" as the office of the inspector general of HHSC.

(2) Redefines "participating agency."

(3) Defines "provider."

Makes nonsubstantive changes.

(b) Amends Subchapter C, Chapter 531, Government Code, by adding Sections 531.1032, 531.1033, and 531.1034, as follows:

Sec. 531.1032. OFFICE OF INSPECTOR GENERAL: CRIMINAL HISTORY RECORD INFORMATION CHECK. (a) Requires the office of the inspector general of HHSC (OIG) and each licensing authority that requires the submission of fingerprints for the purpose of conducting a criminal history record information check of a health care professional to enter into a memorandum of understanding to ensure that only persons who are licensed and in good standing as health care professionals participate as providers in Medicaid. Authorizes the memorandum under this section to be combined with a memorandum authorized under Section 531.1031(c-1) (relating to a memorandum of understanding for the purpose of exchanging criminal history record information related to a health care profession) and requires that the memorandum include a certain process as set forth relating to confirming licensing authority.

(b) Prohibits OIG, for purposes of determining a health care professional's eligibility to participate in Medicaid as a provider, from conducting a criminal history record information check of a health care professional who OIG has confirmed under Subsection (a) is licensed and in good standing. Provides that this subsection does not prohibit OIG from performing a criminal history record information check of a provider that is required or appropriate for other reasons, including for conducting an investigation of fraud, waste, or abuse.

(c) Requires OIG, for purposes of determining eligibility to participate in Medicaid, and subject to Subsection (d), after seeking public input, to establish and requires the executive commissioner by rule to adopt guidelines for the evaluation of criminal history record information of providers and potential providers. Requires that the guidelines outline conduct, by provider type, that is authorized to be contained in criminal history record information that will result in exclusion of a person from Medicaid as a provider, taking into consideration the extent to which the underlying conduct relates to the services provided under Medicaid, the degree to which the person would interact with Medicaid recipients as a

provider, and any previous evidence that the person engaged in fraud, waste, or abuse under Medicaid.

(d) Prohibits the guidelines adopted under Subsection (c) from imposing stricter standards for the eligibility of a person to participate in Medicaid than a licensing authority described by Subsection (a) requires for the person to engage in a health care profession without restriction in this state.

(e) Requires OIG and HHSC to use the guidelines adopted under Subsection (c) to determine whether a provider participating in Medicaid continues to be eligible to participate in Medicaid as a provider.

(f) Requires the provider enrollment contractor, if applicable, and a managed care organization participating in Medicaid to defer to OIG regarding whether a person's criminal history record information precludes the person from participating in Medicaid as a provider.

Sec. 531.1033. MONITORING OF CERTAIN FEDERAL DATABASES. Requires OIG to routinely check appropriate federal databases, including databases referenced in 42 C.F.R. Section 455.436, to ensure that a person who is excluded from participating in Medicaid or in the Medicare program by the federal government is not participating as a provider in Medicaid.

Sec. 531.1034. TIME TO DETERMINE PROVIDER ELIGIBILITY; PERFORMANCE METRICS. (a) Requires OIG, not later than the 10th day after the date OIG receives the complete application of a health care professional seeking to participate in Medicaid, to inform HHSC or the health care professional, as appropriate, of OIG's determination regarding whether the health care professional should be excluded from participating in Medicaid based on certain licensing and criminal history-related information as set forth.

(b) Provides that completion of an on-site visit of a health care professional during the period prescribed by Subsection (a) is not required.

(c) Requires OIG to develop performance metrics to measure the length of time for conducting a determination described by Subsection (a) with respect to applications that are complete when submitted and all other applications.

(c) Requires the executive commissioner to adopt the guidelines required under Section 531.1032(c), Government Code, as added by this section, not later than September 1, 2016.

SECTION 2.14. (a) Amends Chapter 531, Government Code, by adding Subchapter M, as follows:

#### SUBCHAPTER M. COORDINATION OF QUALITY INITIATIVES

Sec. 531.451. OPERATIONAL PLAN TO COORDINATE INITIATIVES. (a) Requires HHSC to develop and implement a comprehensive, coordinated operational plan to ensure a consistent approach across the major quality initiatives of the health and human services system for improving the quality of health care.

(b) Requires that the operational plan developed under this section include broad goals for the improvement of the quality of health care in this state, including health care services provided through Medicaid.

Sec. 531.452. REVISION OF MAJOR INITIATIVES. Requires HHSC, notwithstanding any other law, to revise major quality initiatives of the health and human services system in accordance with the operational plan and health care quality improvement goals developed under Section 531.451. Requires HHSC, to the extent it is possible, to ensure that outcome measure data is collected and reported consistently across all major quality initiatives to improve the evaluation of the initiatives' statewide impact.

Sec. 531.453. INCENTIVES FOR INITIATIVE COORDINATION. Requires HHSC to consider and, if HHSC determines it appropriate, develop incentives that promote coordination among the various major quality initiatives in accordance with this subchapter, including projects and initiatives approved under the Texas Health Care Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315).

Sec. 531.454. RENEWAL OF FEDERAL AUTHORIZATION FOR MEDICAID REFORM. (a) Requires HHSC, upon seeking to renew the Texas Health Care Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315), to the extent permitted under federal law, to perform certain functions as set forth related to reducing the number of approved project options and allowing the continuation of a delivery system reform incentive payment project.

(b) Requires HHSC to take into consideration the diversity of local and regional health care needs in this state in reducing the number of approved project options under Subsection (a).

(c) Provides that this section expires September 1, 2017.

(b) Requires HHSC to develop the operational plan and perform the other actions corresponding with the operational plan as required under Subchapter M, Chapter 531, Government Code, as added by this article, as soon as possible after the effective date of this article.

SECTION 2.15. Amends Section 533.00255(a), Government Code, to redefine "behavioral health services."

SECTION 2.16. Amends Subchapter A, Chapter 533, Government Code, by adding Section 533.002551, as follows:

Sec. 533.002551. MONITORING OF COMPLIANCE WITH BEHAVIORAL HEALTH INTEGRATION. (a) Defines "behavioral health services."

(b) Requires HHSC, in monitoring contracts HHSC enters into with managed care organizations under this chapter, to ensure managed care organizations fully integrate behavioral health services into a recipient's primary care coordination, use performance audits and other oversight tools to improve monitoring of the provision and coordination of behavioral health services, and establish performance measures that may be used to determine the effectiveness of the integration of behavioral health services.

(c) Requires HHSC, in monitoring a managed care organization's compliance with behavioral health services integration requirements under this section, to give particular attention to a managed care organization that provides behavioral health services through a contract with a third party.

SECTION 2.17. Amends Subchapter A, Chapter 533, Government Code, by adding Section 533.0061, as follows:

Sec. 533.0061. FREQUENCY OF PROVIDER CREDENTIALING. Requires a managed care organization that contracts with HHSC to provide health care services to Medicaid recipients under a managed care plan issued by the organization to formally recredential a physician or other provider with the frequency required by the single, consolidated Medicaid provider enrollment and credentialing process, if that process is created under Section 531.02118. Authorizes the required frequency of recredentialing to be less frequent than once in any three-year period, notwithstanding any other law.

SECTION 2.18. Amends Subchapter A, Chapter 533, Government Code, by adding Section 533.0077, as follows:

Sec. 533.0077. STATEWIDE EFFORT TO PROMOTE MAINTENANCE OF ELIGIBILITY. (a) Requires HHSC to develop and implement a statewide effort to assist recipients who satisfy Medicaid eligibility requirements and who receive Medicaid services through a managed care organization with maintaining eligibility and avoiding lapses in coverage under Medicaid.

(b) Requires HHSC, as part of its effort under Subsection (a), to require each managed care organization providing health care services to recipients to assist those recipients with maintaining eligibility, develop certain strategies for assisting recipients who receive Supplemental Security Income (SSI) benefits under 42 U.S.C. Section 1381 et seq. if HHSC determines it cost-effective, and ensure information that is relevant to a recipient's eligibility status is provided to the managed care organization through which the recipient receives Medicaid services.

SECTION 2.19. (a) Amends Section 533.015, Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

Sec. 533.015. COORDINATION OF EXTERNAL OVERSIGHT ACTIVITIES. (a) Creates this subsection from existing text and makes no further change to this subsection.

(b) Requires the executive commissioner, after consulting with OIG, to, by rule, define HHSC's and OIG's roles in and jurisdiction over, and frequency of, audits of managed care organizations participating in Medicaid that are conducted by HHSC and OIG.

(c) Requires HHSC, in accordance with Section 531.102(q), to share with OIG, at the request of OIG, the results of any informal audit or onsite visit that could inform OIG's risk assessment when determining whether to conduct, or the scope of, an audit of a managed care organization participating in Medicaid.

(b) Requires the executive commissioner to adopt rules required by Section 533.015(b), Government Code, as added by this article, not later than September 1, 2016.

SECTION 2.20. Amends Section 533.041(a), Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, to delete existing text providing that the state Medicaid managed care advisory committee includes representatives of the NorthSTAR Behavioral Health Program provided under Chapter 534 (Community Services), Health and Safety Code, among its members. Makes nonsubstantive changes.

SECTION 2.21. (a) Amends Chapter 533, Government Code, by adding Subchapter E, as follows:

#### SUBCHAPTER E. PILOT PROGRAM TO INCREASE INCENTIVE-BASED PROVIDER PAYMENTS

Sec. 533.081. DEFINITION. Defines "pilot program."

Sec. 533.082. PILOT PROGRAM TO INCREASE INCENTIVE-BASED PROVIDER PAYMENTS. Requires HHSC, with the assistance of the work group established under Section 533.083, to develop a pilot program to increase the use and effectiveness of incentive-based provider payments by managed care organizations providing services under the Medicaid managed care program. Sets forth the requirements of the pilot program.

Sec. 533.083. PILOT PROGRAM DEVELOPMENT WORK GROUP. (a) Requires the executive commissioner to establish a work group to assist HHSC with developing the pilot program required under this subchapter. Requires the work group to assist HHSC with selecting the managed care service delivery area in which the pilot program will be implemented and the managed care programs to be included in the pilot program, determining the types of incentive-based provider payment structures to pilot and related services, and determining a timeline for implementation of the pilot program that required implementation to begin not later than January 1, 2017.

(b) Requires the executive commissioner to determine the number of members of the work group and ensure that the work group consists of representatives from HHSC, managed care organizations providing services under the Medicaid managed care program, and professional associations composed of health care providers.

(c) Provides that a member of the work group serves at the pleasure of the executive commissioner and without compensation.

Sec. 533.084. ASSESSMENT AND IMPLEMENTATION OF PILOT PROGRAM FINDINGS. Requires HHSC, not later than September 1, 2018, and notwithstanding any other law, to perform certain duties related to identifying certain incentive-based payment structures based on the results of the pilot program and requiring that a managed care organization that has contracted with HHSC in order to provide health care services to recipients to implement such payment structures.

Sec. 533.085. EXPIRATION. Provides that Sections 533.081, 533.082, and 533.083 and this section expire September 1, 2018.

(b) Requires the executive commissioner to establish the work group and requires HHSC to develop the pilot program required under Subchapter E, Chapter 533, Government Code, as added by this article, as soon as possible after the effective date of this article.

(c) Requires HHSC, in a contract between HHSC and a managed care organization under Chapter 533, Government Code, that is entered into or renewed on or after September 1, 2018, to require that the managed care organization implement the incentive-based provider payment structures identified by HHSC under Section 533.084, Government Code, as added by this article.

(d) Requires HHSC to seek to amend contracts entered into with managed care organizations under Chapter 533, Government Code, before September 1, 2018, to require that those managed care organizations implement the incentive-based provider payment structures identified by HHSC under Section 533.084, Government Code, as added by this article. Provides that, to the extent of a conflict between that section and a provision of a contract with a managed care organization entered into before September 1, 2018, the contract provision prevails.

SECTION 2.22. Amends Section 1001.080(b), Health and Safety Code, to delete existing text providing that this section applies to the NorthSTAR Behavioral Health Program provided under Chapter 534. Makes nonsubstantive changes.



SECTION 2.23. Amends Section 1001.201(2), Health and Safety Code, as added by Chapter 1306 (H.B. 3793), Acts of the 83rd Legislature, Regular Session, 2013, to redefine “local mental health authority.”

ARTICLE 3. HEALTH AND HUMAN SERVICES SYSTEM ADVISORY ENTITIES

SECTION 3.01. Amends Section 262.353(d), Family Code, to delete existing text requiring DFPS and DSHS to file a report with the Council on Children and Families.

SECTION 3.02. (a) Amends Section 531.012, Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

Sec. 531.012. ADVISORY COMMITTEES. (a) Creates this subsection from existing text. Requires the executive commissioner to establish and maintain advisory committees to consider issues and solicit public input across all major areas of the health and human services system, including relating to the following issues:

- (1) Medicaid and other social services programs;
- (2) managed care under Medicaid and the child health plan program;
- (3) health care quality initiatives;
- (4) aging;
- (5) persons with disabilities, including persons with autism;
- (6) rehabilitation, including for persons with brain injuries;
- (7) children;
- (8) public health;
- (9) behavioral health;
- (10) regulatory matters;
- (11) protective services;
- (12) prevention efforts; and
- (13) faith- and community-based initiatives.

(b) Provides that Chapter 2110 applies to an advisory committee established under this section.

(c) Requires the executive commissioner to adopt rules in compliance with Chapter 2110 to govern an advisory committee’s purpose, tasks, reporting requirements, and date of abolition and related to an advisory committee’s size and quorum requirements, membership, including qualifications to be a member, including any experience requirements, required geographic representation, appointment procedures, and terms of members, and duty to comply with the requirements for open meetings under Chapter 551.

(d) Requires an advisory committee established under this section to report any recommendations to the executive commissioner at a meeting of the Health and Human Services Commission Executive Council established under Section 531.0051.

Deletes existing text authorizing the commissioner to appoint advisory committees as needed, and makes nonsubstantive changes.

(b) Requires the executive commissioner to adopt rules under Section 531.012, Government Code, as amended by this article, not later than March 1, 2016.

SECTION 3.03. Amends Subchapter A, Chapter 531, Government Code, by adding Section 531.0121, as follows:

Sec. 531.0121. PUBLIC ACCESS TO ADVISORY COMMITTEE MEETINGS. (a) Provides that this section applies to an advisory committee established under Section 531.012.

(b) Requires HHSC to create a master calendar that includes all advisory committee meetings across the health and human services system.

(c) Requires HHSC to make the master calendar, all meeting materials for an advisory committee meeting, and streaming live video of each advisory committee meeting available on HHSC's Internet website.

(d) Requires HHSC to provide Internet access in each room used for a meeting that appears on the master calendar.

SECTION 3.04. Amends Section 531.0216(b), Government Code, to delete existing text requiring the executive commissioner by rule, in developing the system to reimburse providers of services under the state Medicaid program for services performed using telemedicine medical services or telehealth services, to consult with the telemedicine and telehealth advisory committee to establish certain procedures.

SECTION 3.05. Amends Section 531.02443(e), Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

(e) Requires TDH, with the advice and assistance of representatives of family members or legally authorized representatives of adult residents, rather than with the advice and assistance of the interagency task force on ensuring appropriate care settings for persons with disabilities and representatives of family members or legally authorized representatives of adult residents, persons with an intellectual disability, state supported living centers, and local intellectual and developmental disability authorities, to perform certain functions as set forth related to community living options.

SECTION 3.06. Amends Section 531.051(c), Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

(c) Requires the executive commissioner, in adopting rules for the consumer direction models, to:

(1) Deletes a reference to the work group established under Section 531.052 (Consumer Direction Work Group) and makes no further change to this subdivision;

(2)-(6) Makes no change to these subdivisions; and

(7) Deletes a reference to the work group established under Section 531.052 and makes no further change.

SECTION 3.07. Amends Section 531.067, Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

Sec. 531.067. New heading: PROGRAM TO IMPROVE AND MONITOR CERTAIN OUTCOMES OF RECIPIENTS UNDER CHILD HEALTH PLAN PROGRAM AND

MEDICAID. Authorizes HHSC to design and implement a program to improve and monitor clinical and functional outcomes of a recipient of services under Medicaid or the state child health plan program. Authorizes the program to use financial, clinical, and other criteria based on pharmacy, medical services, and other claims data related to Medicaid or the child health plan program. Makes nonsubstantive changes.

Deletes existing Subdivision (a) requiring HHSC to appoint a Public Assistance Health Benefit Review and Design Committee (committee) and providing information related to its members.

Deletes existing Subdivision (b) requiring the executive commissioner to designate one member to serve as presiding officer for a term of two years.

Deletes existing Subdivision (c) requiring the committee to meet at the call of the presiding officer.

Deletes existing Subdivision (d) requiring the committee to review and provide recommendations to HHSC regarding health benefits and coverages provided under certain health care programs and establishing the functions to be performed by the committee.

Deletes existing Subdivision (e) requiring HHSC to provide administrative support and resources as necessary for the committee to perform its duties under this section.

Deletes existing Subdivision (f) providing that Section 2110.008 (Duration of Advisory Committees) does not apply to the committee.

Deletes designation of Subsection (g) and existing text requiring HHSC to report to the committee on the fiscal impact, including any savings associated with the strategies utilized under this section. Makes a nonsubstantive change.

SECTION 3.08. (a) Redesignates Section 531.0691, Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as Section 531.0735, Government Code, and makes no further change.

(b) Amends Subchapter B, Chapter 531, Government Code, by adding Section 531.0736, as follows:

Sec. 531.0736. DRUG UTILIZATION REVIEW BOARD. (a) Defines “board.”

(b) Requires the Drug Utilization Review Board (board), in addition to performing any other duties required by federal law, to perform certain duties related to providing HHSC with information regarding drug utilization, restriction, and prescription and otherwise performing other duties that may be specified by law and making recommendations to HHSC.

(c) Requires the executive commissioner to determine the composition of the board, which is required to:

(1) comply with applicable federal law, including 42 C.F.R. Section 456.716; and

(2) include two representatives of managed care organizations as nonvoting members, one of whom is required to be a physician and one of whom is required to be a pharmacist.

(d) Authorizes members appointed under Subsection (c)(2) to attend quarterly and other regularly scheduled meetings, but prohibits such

members from attending executive sessions or otherwise accessing confidential drug pricing information.

(e) Provides that members of the board serve staggered four-year terms.

(f) Requires the voting members of the board to elect from among the voting members a presiding officer.

(g) Requires the board to hold a public meeting quarterly at the call of the presiding officer and to permit public comment before voting on any changes in the preferred drug lists. Requires the board to hold public meetings at other times at the call of the presiding officer. Requires that minutes of each meeting be made available to the public not later than the 10th business day after the date the minutes are approved. Authorizes the board to meet in executive session to discuss confidential information as described by Subsection (i).

(h) Requires the board, in developing its recommendations for the preferred drug lists, to consider the clinical efficacy, safety, and cost-effectiveness of and any program benefit associated with a product.

(i) Requires the executive commissioner to adopt rules governing the operation of the board, including rules governing the procedures used by the board for providing notice of a meeting and rules prohibiting the board from discussing confidential information described by Section 531.071 (Confidentiality of Information Regarding Drug Rebates, Pricing, and Negotiations) in a public meeting. Requires the board to comply with the rules adopted under this subsection and Subsection (j).

(j) Requires the executive commissioner, in addition to the rules under Subsection (i), to by rule require the board or the board's designee to present a summary of any clinical efficacy and safety information or analyses regarding a drug under consideration for a preferred drug list that is provided to the board by a private entity that has contracted with HHSC to provide the information. Requires the board or the board's designee to provide the summary in electronic form before the public meeting at which consideration of the drug occurs. Requires that confidential information described by Section 531.071 be omitted from the summary. Requires that the summary be posted on HHSC's Internet website.

(k) Requires the board, to the extent feasible, to review all drug classes included in the preferred drug lists adopted under Section 531.072 (Preferred Drug Lists) at least once every 12 months and may recommend inclusions to and exclusions from the lists to ensure that the lists provide for cost-effective medically appropriate drug therapies for Medicaid recipients, children receiving health benefits coverage under the child health plan program, and any other affected individuals.

(l) Requires HHSC to provide administrative support and resources as necessary for the board to perform its duties.

(m) Provides that Chapter 2110 does not apply to the board.

(n) Requires HHSC or HHSC's agent to publicly disclose, immediately after the board's deliberations conclude, each specific drug recommended for or against preferred drug list status for each drug class included in the preferred drug list for the Medicaid vendor drug program. Requires that the disclosure be posted on HHSC's Internet website not later than the 10th business day after the date of conclusion of board deliberations that result in recommendations made to the executive commissioner regarding

the placement of drugs on the preferred drug list. Sets forth the information required to be included in the public disclosure.

(c) Redesignates Section 531.0692, Government Code, as Section 531.0737, Government Code, and amends it as follows:

Sec. 531.0737. New heading: DRUG UTILIZATION REVIEW BOARD: CONFLICTS OF INTEREST. (a) Changes a reference to the board of the Medicaid Drug Utilization Review Program to the Drug Utilization Review Board.

(b) Makes no change to this subsection.

(d) Amends Sections 531.072(c) and (e), Government Code, as follows:

(c) Changes a reference to the Pharmaceutical and Therapeutic Committee established under Section 531.074 (Pharmaceutical and Therapeutics Committee) to the Drug Utilization Review Board under Section 531.0736 and makes no further change.

(e) Redefines “labeler” and “manufacturer.”

(e) Amends Section 531.073(b), Government Code, to change a reference to the Pharmaceutical and Therapeutics Committee established under Section 531.074 to the Drug Utilization Review Board under Section 531.0736 and makes no further change.

(f) Amends Section 531.0741, Government Code, as follows:

Sec. 531.0741. PUBLICATION OF INFORMATION REGARDING COMMISSION DECISIONS ON PREFERRED DRUG LIST PLACEMENT. Changes a reference to the Pharmaceutical and Therapeutics Committee established under Section 531.074 to the Drug Utilization Review Board under Section 531.0736 and makes no further change.

(g) Repealer: Section 531.074 (Pharmaceutical and Therapeutics Committee), Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015.

(h) Provides that the term of a member serving on the Medicaid Drug Utilization Review Board on September 1, 2015, expires on that date. Requires the executive commissioner, not later than September 1, 2015, to appoint members to the Drug Utilization Review Board in accordance with Section 531.0736, Government Code, as added by this article, for terms beginning September 2, 2015. Requires the executive commissioner, in making the initial appointments and notwithstanding Section 531.0736(e), Government Code, as added by this article, to designate as close to one-half as possible of the members to serve for terms expiring September 1, 2017, and the remaining members to serve for terms expiring September 1, 2019.

(i) Requires the executive commissioner, not later than January 1, 2016, to adopt or amend rules as necessary to reflect the changes in law made to the Drug Utilization Review Board under Section 531.0736, Government Code, as added by this article, including rules that reflect the changes to the board's functions and composition.

SECTION 3.09. Amends the heading to Subchapter D, Chapter 531, Government Code, to read as follows:

#### SUBCHAPTER D. PLAN TO SUPPORT GUARDIANSHIPS

SECTION 3.10. Amends Section 531.124, Government Code, as follows:

Sec. 531.124. COMMISSION DUTIES. Requires HHSC to develop and, subject to appropriations, implement a plan related to assisting individuals who need a guardianship and fostering the establishment and growth of local volunteer guardianship programs, rather than requires HHSC, with the advice of the advisory board, to develop and, subject to appropriations, implement a plan related to supporting guardianships.

Deletes existing Subsection (a) designation and Subsection (b) requiring the advisory board to perform certain functions relating to reviewing certain standards and submitting a report.

SECTION 3.11. Amends Section 531.159(f), Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

(f) Requires the executive commissioner by rule to develop procedures by which to conduct the reviews required by Subsection (c) (relating to a six-month extension of a child's placement), (d) (relating to the requirements of the extension), and (e) (relating to a semiannual review of data regarding all children in institutions in this state). Deletes existing text authorizing HHSC, in developing the procedures, to seek input from the work group on children's long-term services, health services, and mental health services established under Section 22.035 (Children's Policy Council), Human Resources Code.

SECTION 3.12. Amends Section 531.907(a), Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, to delete existing text authorizing HHSC to expand the health information exchange system based on the recommendations of the Electronic Health Information Exchange System Advisory Committee established under Section 531.904 (Electronic Health Information Exchange System Advisory Committee).

SECTION 3.13. Amends Section 531.909, Government Code, as follows:

Sec. 531.909. INCENTIVES. Deletes existing text requiring the Electronic Health Information Exchange System Advisory Committee established under Section 531.904 to develop strategies to encourage health care providers to use the health information exchange system.

SECTION 3.14. Amends Section 533.00251(c), Government Code, to delete existing text requiring HHSC to consult with the STAR + PLUS Nursing Facility Advisory Committee to provide benefits under Medicaid to recipients who reside in nursing facilities through the STAR +PLUS Medicaid managed care program.

SECTION 3.15. Amends Section 533.00253(b), Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, to delete existing text requiring HHSC to consult with the STAR + PLUS Nursing Facility Advisory Committee and the Children's Policy Council established under Section 22.035 (Children's Policy Council), Human Resources Code, to establish a mandatory STAR Kids capitated managed care program.

SECTION 3.16. Amends Section 533.00256(a), Government Code, to delete existing text requiring HHSC to consult with the Medicaid and CHIP Quality-Based Payment Advisory Committee established under Section 536.002 (Medicaid and CHIP Quality-Based Payment Advisory Committee) to perform certain duties.

SECTION 3.17. Amends Section 534.052, Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

Sec. 534.052. IMPLEMENTATION OF SYSTEM REDESIGN. Deletes existing text requiring HHSC and DADS to consult with the Intellectual and Developmental Disability System Redesign Advisory Committee to jointly implement certain acute care and long-term services and supports system for individuals with an intellectual or developmental disability.

SECTION 3.18. Amends Section 534.104(d), Government Code, to delete existing text requiring DADS to consult with Intellectual and Developmental Disability System Redesign Advisory Committee to evaluate certain submitted managed care strategy proposals.

SECTION 3.19. Amends Section 534.105, Government Code, as follows:

Sec. 534.105. PILOT PROGRAM: MEASURABLE GOALS. (a) Deletes existing text requiring DADS to consult with the Intellectual and Developmental Disability System Redesign Advisory Committee (advisory committee) to identify measurable goals to be achieved by each pilot program implemented under this subchapter.

(b) Deletes existing text requiring DADS to consult with the advisory committee to propose specific strategies for achieving the identified goals.

SECTION 3.20. Amends Section 534.108(d), Government Code, to delete existing text requiring HHSC and DADS to consult with Intellectual and Developmental Disability System Redesign Advisory Committee to review and evaluate the progress and outcomes of each pilot program implemented under this subchapter and submit a report to the legislature.

SECTION 3.21. Amends Section 534.201(d), Government Code, to delete existing text requiring HHSC to develop a process to receive and evaluate input provided by the Intellectual and Developmental Disability System Redesign Advisory Committee.

SECTION 3.22. Amends Section 534.202(d), Government Code, to delete existing text requiring HHSC to develop a process to receive and evaluate input provided by the Intellectual and Developmental Disability System Redesign Advisory Committee.

SECTION 3.23. Amends Section 535.051(c), Government Code, to delete existing text requiring the commissioner of higher education to consult with the presiding officer of the interagency coordinating group to designate one employee from an institution of higher education to serve as a liaison for faith- and community-based organizations.

SECTION 3.24. Amends Section 535.104(a), Government Code, to delete existing text requiring HHSC to establish policies and procedures to ensure that money allocated for the establishment of the Renewing Our Communities Account Advisory Committee under Section 535.108 (Renewing Our Communities Account Advisory Committee) is not used to advance a sectarian purpose or to engage in any form of proselytization.

SECTION 3.25. Amends Section 535.106(b), Government Code, to delete a reference to Section 535.053 (Interagency Coordinating Group). Makes a nonsubstantive change.

SECTION 3.26. Amends Section 536.001(20), Government Code, to redefine “potentially preventable readmission.”

SECTION 3.27. Amends Section 536.003(a), Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, to delete existing text requiring HHSC to consult with the Medicaid and CHIP Quality-Based Payment Advisory Committee to develop quality-based outcome and process measures relating to the child health plan program and Medicaid.

SECTION 3.28. Amends Section 536.004(a), Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, to delete existing text requiring HHSC to consult with the Medicaid and CHIP Quality-Based Payment Advisory Committee before developing quality-based payment systems and requiring managed care organizations to develop such systems.

SECTION 3.29. Amends Section 536.006(a), Government Code, to delete existing text requiring the Medicaid and CHIP Quality-Based Payment Advisory Committee to perform certain functions relating to quality-based payment systems.

SECTION 3.30. Amends Section 536.052(b), Government Code, to delete existing text requiring HHSC to consult with the Medicaid and CHIP Quality-Based Payment Advisory Committee before developing certain quality of care and cost-efficiency benchmarks.

SECTION 3.31. Amends Section 536.102(a), Government Code, to delete existing text authorizing HHSC to develop and implement certain quality-based payment systems after consulting with the Medicaid and CHIP Quality-Based Payment Advisory Committee.

SECTION 3.32. Amends Section 536.152(a), Government Code, to delete existing text requiring HHSC to consult with the Medicaid and CHIP Quality-Based Payment Advisory Committee before adjusting child health plan and Medicaid reimbursements to hospitals.

SECTION 3.33. Amends Section 536.202(a), Government Code, to delete existing text requiring HHSC to consult with the Medicaid and CHIP Quality-Based Payment Advisory Committee before establishing payment initiatives to test the effectiveness of certain health care payment and delivery models.

SECTION 3.34. Amends Section 536.204(a), Government Code, as follows:

(a) Deletes existing text requiring the executive commissioner to consult with the Medicaid and CHIP Quality-Based Payment Advisory Committee to develop quality of care and cost-efficiency benchmarks and measurable goals and to approve benchmarks and goals developed as provided by Subdivision (1). Makes nonsubstantive changes.

SECTION 3.35. Amends Section 536.251(a), Government Code, to delete existing text authorizing HHSC to develop and implement quality-based payment systems for Medicaid long-term services and supports providers after consulting with the Medicaid and CHIP Quality-Based Payment Advisory Committee.

SECTION 3.36. Amends Section 538.052(a), Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

(a) Requires HHSC, subject to Subsection (b) (prohibiting HHSC from accepting suggestions for certain clinical initiatives), to solicit and accept suggestions for clinical initiatives, in either written or electronic form, from:

- (1) and (2) Makes no change to these subdivisions;
- (3) the commissioner of aging and disability services;
- (4) the commissioner of state health services;
- (5) Makes no change to this subdivision;
- (6) the commissioner of assistive and rehabilitative services;
- (7) and (8) Makes nonsubstantive changes to these subdivisions.

Deletes existing Subdivision (9) requiring HHSC to solicit and accept such suggestions from the Electronic Health Information Exchange System Advisory Committee established under Section 531.904.

SECTION 3.37. Amends Sections 533A.0335(c) and (d), Health and Safety Code, as redesignated from Sections 533.0335(c) and (d), Health and Safety Code, by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

(c) Deletes existing text requiring TXMHMR to consult with the Intellectual and Developmental Disability System Redesign Advisory Committee to establish a prior authorization process for requests for certain supervised living or residential support services.



(d) Deletes existing text requiring TXMHMR to cooperate with the Intellectual and Developmental Disability System Redesign Advisory Committee to establish the prior authorization process required by Subsection (c).

SECTION 3.38. Amends Section 533A.03551(b), Health and Safety Code, as redesignated from Section 533.03551(b), Health and Safety Code, and amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, to delete existing text requiring DADS to cooperate with the Intellectual and Developmental Disability System Redesign Advisory Committee to coordinate with federal, state, and local public housing entities as necessary to expand certain housing opportunities. Makes nonsubstantive changes.

SECTION 3.39. Amends Sections 1002.060(c) and (e), Health and Safety Code, as follows:

(c) Deletes existing text prohibiting a member of the board of directors of the Texas Institute of Health Care Quality and Efficiency (board) from disclosing any information that is confidential under this section.

(e) Deletes existing text prohibiting a member of the board from being examined in a civil, criminal, special, administrative, or other proceeding as to information that is confidential under this section.

SECTION 3.40. Amends Section 1002.061, Health and Safety Code, by amending Subsection (c) and adding Subsection (c-1), as follows:

(c) Requires each of the following state agencies or systems, except as otherwise provided by law, to provide funds to support the Texas Institute of Health Care Quality and Efficiency (institute) and implement this chapter:

- (1) DSHS;
- (2) HHSC;
- (3) the Texas Department of Insurance;
- (4) the Employees Retirement System of Texas;
- (5) the Teacher Retirement System of Texas;
- (6) the Texas Medical Board;
- (7) DADS;
- (8) the Texas Workforce Commission;
- (9) the Texas Higher Education Coordinating Board; and
- (10) each state agency or system of higher education that purchases or provides health care services, as determined by the governor.

(c-1) Creates this subsection from existing text. Requires HHSC to establish a funding formula to determine the level of support each state agency listed in Subsection (c) is required to provide.

Deletes existing text requiring each state agency represented on the board as a nonvoting member, except as otherwise provided by law, to provide funds to support the institute and implement this chapter.

SECTION 3.41. (a) Amends Section 32.022(b), Human Resources Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

(b) Requires the executive commissioner to appoint the medical care advisory committee in compliance with the requirements of the federal agency administering medical assistance. Requires that the appointments:

(1) provide for a balanced representation of the general public, providers, consumers, and other persons, state agencies, or groups with knowledge of and interest in the committee's field of work; and

(2) include one member who is the representative of a managed care organization.

(b) Requires the executive commissioner to appoint an additional member to the medical care advisory committee in accordance with Section 32.022(b)(2), Human Resources Code, as added by this article, not later than September 1, 2015.

SECTION 3.42. Amends Section 32.0641(a), Human Resources Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, to delete existing text requiring the executive commissioner to consult with the Medicaid and CHIP Quality-Based Payment Advisory Committee established under Section 536.002, Government Code, before adopting certain cost-share provisions.

SECTION 3.43. Amends Section 1352.004(b), Insurance Code, to delete existing text requiring the commissioner of insurance to consult with the Texas Traumatic Brain Injury Advisory Council to prescribe by rule basic training-related requirements.

SECTION 3.44. Amends Section 1352.005(b), Insurance Code, to delete existing text requiring the commissioner of insurance to consult with the Texas Traumatic Brain Injury Advisory Council to prescribe by rule the specific contents and wording of the notice required under this section.

SECTION 3.45. (a) Provides that the following provisions of the Government Code, including provisions amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, are repealed:

Section 531.0217(j) (requiring HHSC to establish an advisory committee to coordinate state telemedicine efforts), Government Code including provisions amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015;

Section 531.02172 (Telemedicine and Telehealth Advisory Committee), Government Code;

Section 531.02173(c) (requiring HHSC to review certain Medicaid policies with assistance from the telemedicine and telehealth advisory committee), Government Code;

Section 531.02441 (Interagency Task Force on Ensuring Appropriate Care Settings for Persons With Disabilities), Government Code;

Section 531.052 (Consumer Direction Work Group), Government Code;

Section 531.0571 (Volunteer Advocate Program Advisory Committee), Government Code;

Section 531.068 (Medicaid or Other Health Benefit Coverage), Government Code;

Sections 531.121(1) (defining "advisory board" as the Guardianship Advisory Board), (5) (defining "private professional guardian"), and (6) (defining "statutory probate court"), Government Code;

Section 531.122 (Advisory Board; Membership), Government Code;

Section 531.123 (Advisory Board; Officers and Meetings), Government Code;

Section 531.1235, (Advisory Board; Duties; Statewide Guardianship System), Government Code;

Section 531.251 (Texas System of Care Consortium), Government Code;

Subchapters R (Advisory Committee on Qualifications for Health Care Translators and Interpreters) and T (Council on Children and Families), Chapter 531 (Health and Human Services Commission), Government Code;

Section 531.904 (Electronic Health Information Exchange System Advisory Committee), Government Code;

Section 533.00251(a)(1) (defining “advisory committee” as the STAR + PLUS Nursing Facility Advisory Committee), Government Code;

Section 533.00252 (STAR + PLUS Nursing Facility Advisory Committee), Government Code;

Sections 533.00253(a)(1) (defining “advisory committee” as the STAR Kids Managed Care Advisory Committee) and (f) (requiring HHSC to seek input from the Children’s Policy Council), Government Code;

Section 533.00254 (STAR Kids Managed Care Advisory Committee), Government Code;

Sections 533.00255(e) (requiring HHSC and DSHS to establish a Behavioral Health Integration Advisory Committee) and (f) (requiring HHSC to provide administrative support to the advisory committee), Government Code;

Section 533.00285 (STAR + PLUS Quality Council), Government Code;

Subchapters B (Regional Advisory Committees) and C (Statewide Advisory Committee), Chapter 533 (Implementation of Medicaid Managed Care Program), Government Code;

Section 534.001(1) (defining “advisory committee” as the Intellectual and Developmental Disability System Redesign Advisory Committee), Government Code;

Section 534.053 (Intellectual and Developmental Disability System Redesign Advisory Committee), Government Code;

Section 535.053 (Interagency Coordinating Group), Government Code;

Section 535.054 (Report), Government Code;

Section 535.055 (Texas Nonprofit Council), Government Code;

Section 535.108 (Renewing Our Communities Account Advisory Committee), Government Code;

Section 536.001(1) (defining “advisory committee” as the Medicaid and CHIP Quality-Based Payment Advisory Committee), Government Code;

Section 536.002 (Medicaid and CHIP Quality-Based Payment Advisory Committee), Government Code; and

Section 536.007(b) (requiring HHSC to present the outcome of an evaluation to the advisory committee), Government Code.

(b) Provides that the following provisions of the Health and Safety Code, including provisions amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, are repealed:

Subchapter C (Task Force on Domestic Violence), Chapter 32 (Maternal and Infant Health Improvement), Health and Safety Code;

Section 62.151(e) (requiring HHSC to seek input from the Public Assistance Health Benefit Review and Design Committee), Health and Safety Code;

Section 62.1571(c);

Section 81.010 (Interagency Coordinating Council for HIV and Hepatitis), Health and Safety Code;

Section 92.011 (Coordination with Texas Traumatic Brain Injury Advisory Council), Health and Safety Code;

Subchapter B (Texas Traumatic Brain Injury Advisory Council), Chapter 92 (Injury Prevention and Control), Health and Safety Code;

Chapter 115 (Task Force for Children with Special Needs), Health and Safety Code;

Section 241.187 (Perinatal Advisory Council), Health and Safety Code;

Section 533A.0335(a)(1) (defining “advisory committee” as the Intellectual and Developmental Disability System Redesign Advisory Committee), Health and Safety Code;

Section 1002.001(1) (defining “board” as the board of directors of the Texas Institute of Health Care Quality and Efficiency), Health and Safety Code;

Section 1002.051 (Application of Sunset Act), Health and Safety Code;

Section 1002.052 (Composition of Board of Directors), Health and Safety Code;

Section 1002.053 (Terms of Office), Health and Safety Code;

Section 1002.055 (Expenses), Health and Safety Code;

Section 1002.056 (Officer; Conflict of Interest), Health and Safety Code;

Section 1002.057 (Prohibition on Certain Contracts and Employment), Health and Safety Code;

Section 1002.058 (Meetings), Health and Safety Code; and

Section 1002.059 (Board Member Immunity) Health and Safety Code.

(c) Provides that the following provisions of the Human Resources Code, including provisions amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, are repealed:

Section 22.035 (Children's Policy Council); and

Section 32.022(e) (requiring the Texas Board of Human Services to appoint a hospital payment advisory committee).

SECTION 3.46. Provides that the following advisory committees are abolished on the effective date of this article:

- (1) the advisory committee on Medicaid and child health plan program rate and expenditure disparities;
- (2) the Advisory Committee on Qualifications for Health Care Translators and Interpreters;
- (3) the Behavioral Health Integration Advisory Committee;
- (4) the Children's Policy Council;
- (5) the Consumer Direction Work Group;
- (6) the Council on Children and Families;
- (7) the Electronic Health Information Exchange System Advisory Committee;
- (8) the Guardianship Advisory Board;
- (9) the hospital payment advisory committee;
- (10) the Intellectual and Developmental Disability System Redesign Advisory Committee;
- (11) the Interagency Coordinating Council for HIV and Hepatitis;
- (12) the interagency coordinating group for faith- and community-based initiatives;
- (13) the interagency task force on ensuring appropriate care settings for persons with disabilities;
- (14) the Medicaid and CHIP Quality-Based Payment Advisory Committee;
- (15) each Medicaid managed care advisory committee appointed for a health care service region under Subchapter B (Regional Advisory Committees), Chapter 533, Government Code;
- (16) the Perinatal Advisory Council;
- (17) the Public Assistance Health Benefit Review and Design Committee;
- (18) the renewing our communities account advisory committee;
- (19) the STAR + PLUS Nursing Facility Advisory Committee;
- (20) the STAR + PLUS Quality Council;
- (21) the STAR Kids Managed Care Advisory Committee;
- (22) the state Medicaid managed care advisory committee;
- (23) the task force on domestic violence;

- (24) the Interagency Task Force for Children With Special Needs;
- (25) the telemedicine and telehealth advisory committee;
- (26) the board of directors of the Texas Institute of Health Care Quality and Efficiency;
- (27) the Texas Nonprofit Council;
- (28) the Texas System of Care Consortium;
- (29) the Texas Traumatic Brain Injury Advisory Council; and
- (30) the volunteer advocate program advisory committee.

ARTICLE 4. CONTINUATION OF HEALTH AND HUMAN SERVICES POWERS  
AND DUTIES

SECTION 4.01. Amends Section 531.004, Government Code, as follows:

Sec. 531.004. SUNSET PROVISION. Provides that, unless continued in existence as provided by Chapter 325 (Texas Sunset Act), HHSC is abolished and this chapter expires September 1, 2027, rather than September 1, 2015.

SECTION 4.02. Amends Section 108.016, Health and Safety Code, as follows:

Sec. 108.016. SUNSET REVIEW. Provides that, unless HHSC is continued in existence in accordance with Chapter 325, Government Code, after the review required by Section 531.004, Government Code, this chapter expires on the date HHSC is abolished under that section.

Deletes existing text providing that, unless continued in existence in accordance with Chapter 325, Government Code, after the review required by Section 11.003(b) (requiring the sunset commission to determine whether DSHS is performing certain functions), this chapter expires September 1, 2015.

SECTION 4.03. Amends Section 1001.003, Health and Safety Code, as follows:

Sec. 1001.003. SUNSET PROVISION. Provides that, unless HHSC is continued in existence as provided by Chapter 325, Government Code, after the review required by Section 531.004, Government Code, this chapter expires on the date HHSC is abolished under that section.

Deletes existing text providing that DSHS is subject to Chapter 325, Government Code, and that, unless continued in existence as provided by that chapter, DSHS is abolished and this chapter expires September 1, 2015.

SECTION 4.04. Amends Section 40.003, Human Resources Code, as follows:

Sec. 40.003. SUNSET PROVISION. Provides that, unless HHSC is continued in existence as provided by Chapter 325, Government Code, after the review required by Section 531.004, Government Code, this chapter expires on the date HHSC is abolished under that section.

Deletes existing text providing that DFPS is subject to Chapter 325, Government Code, and that, unless continued in existence as provided by that chapter, DFPS is abolished and this chapter expires September 1, 2015.

SECTION 4.05. Amends Section 117.003, Human Resources Code, as follows:

Sec. 117.003. SUNSET PROVISION. Provides that, unless HHSC is continued in existence as provided by Chapter 325, Government Code, after the review required by Section 531.004, Government Code, this chapter expires on the date HHSC is abolished under that section.

Deletes existing text providing that DARS is subject to Chapter 325, Government Code, and that, unless continued in existence as provided by that chapter, DARS is abolished and this chapter expires September 1, 2015.

SECTION 4.06. Amends Section 161.003, Human Resources Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

Sec. 161.003. SUNSET PROVISION. Provides that, unless HHSC is continued in existence as provided by Chapter 325, Government Code, after the review required by Section 531.004, Government Code, this chapter expires on the date HHSC is abolished under that section.

Deletes existing text providing that DADS is subject to Chapter 325, Government Code, and that, unless continued in existence as provided by that chapter, DADS is abolished and this chapter expires September 1, 2015.

#### ARTICLE 5. FEDERAL AUTHORIZATION AND EFFECTIVE DATE

SECTION 5.01. 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 5.02. Effective date, except as otherwise provided by this Act: September 1, 2015.