

BILL ANALYSIS

Senate Research Center

S.B. 277
By: Schwertner
Health & Human Services
7/27/2015
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Of the 16 task force or advisory committees that were repealed in S.B. 277 as introduced, 13 will be repealed by the appropriate sunset legislation. The committee substitute for S.B. 277 removed those 13 committees from the original bill and repealed the remaining three advisory committees from statute. The substitute also repealed the Interagency Task Force on Electronic Benefits Transfers.

S.B. 277 amends current law relating to certain health-related and other task forces and advisory committees.

[**Note:** While the statutory reference in this bill is to the Texas Department of Human Services (TDHS), the following amendments affect the Health and Human Services Commission and the Department of Aging and Disability Services, as the successor agencies to TDHS.]

[**Note:** While the statutory reference in this bill is to the Texas Department of Health (TDH), the following amendments affect the Department of State Health Services, as the successor agency to TDH.]

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the executive commissioner of the Health and Human Services Commission is modified in SECTION 1.06 (Section 664.052, Government Code), SECTION 1.09 (Sections 98.105 and 98.108, Health and Safety Code), SECTION 1.10 (Section 141.0095, Health and Safety Code), SECTION 2.04 (Section 531.0216, Government Code), and SECTION 2.06 (Section 531.051, Government Code) of this bill.

Rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 1.13 (Section 40.030, Human Resources Code), SECTION 2.02 (Section 531.012, Government Code), and SECTION 2.08 (Section 531.0736, Government Code) of this bill.

Rulemaking authority previously granted to the commissioner of the Department of State Health Services is modified in SECTION 1.15 (Article 46B.090, Code of Criminal Procedure) of this bill.

Rulemaking authority previously granted to the stakeholder workgroup established in connection with the jail-based restoration of competency pilot program is rescinded in SECTION 1.15 (Article 46B.090, Code of Criminal Procedure) of this bill.

Rulemaking authority previously granted to the Health and Human Services Commission is rescinded in SECTION 2.08 (Section 531.074, Health and Safety Code) of this bill.

Rulemaking authority previously granted to the commissioner of insurance is modified in SECTION 2.35 (Section 1352.004, Insurance Code) and SECTION 2.36 (Section 1352.005, Insurance Code) of this bill.

Rulemaking authority previously granted to the Texas Board of Health is rescinded in SECTION 2.37 (Section 92.060, Health and Safety Code) of this bill.

SECTION BY SECTION ANALYSIS

ARTICLE 1. CHANGES TO ENTITIES EFFECTIVE SEPTEMBER 1, 2015

SECTION 1.01 (a) Provides that the Interagency Task Force on Electronic Benefits Transfers is abolished.

(b) Repealer: Section 531.045 (Interagency Task Force on Electronic Benefits Transfers), as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, Government Code.

SECTION 1.02. (a) Provides that the Medicaid and Public Assistance Fraud Oversight Task Force is abolished.

(b) Amends Section 22.028(c), Human Resources Code, to require the comptroller of public accounts of the State of Texas (comptroller) to promptly review the report and, as appropriate, may solicit the advice of the office of the inspector general regarding the results of the Health and Human Services Commission's (HHSC) enforcement actions.

(c) Repealer: Section 531.107 (Medicaid and Public Assistance Fraud Oversight Task Force), as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, Government Code.

SECTION 1.03. (a) Provides that the Advisory Committee on Inpatient Mental Health Services is abolished.

(b) Repealer: Section 571.027 (Advisory Committee on Inpatient Mental Health Services), as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, Health and Safety Code.

SECTION 1.04. (a) Provides that the Interagency Inspection Task Force is abolished.

(b) Amends Section 42.0442(c), Human Resources Code, as follows:

(c) Requires each state agency that inspects a facility listed in Subsection (a) to use an inspection checklist established by the Department of Family and Protective Services (DFPS) in performing an inspection. Requires a state agency to make a copy of the completed inspection checklist available to the facility at the facility's request to assist the facility in maintaining records. Deletes existing text requiring the Interagency Inspection Task Force to establish an inspection checklist based on the inspection protocol developed under Subsection (b).

(c) Repealer: Section 42.0442(b) (relating to requiring DFPS to form an interagency task force with the Department of Health, the Texas Department of Human Services, and the Texas Workforce Commission to develop an inspection protocol that will coordinate inspection by those agencies), as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, Human Resources Code.

SECTION 1.05. (a) Provides that the local authority network advisory committee is abolished.

(b) Amends Section 533.0359(a), Health and Safety Code, to delete a reference to Section 533.0351.

(c) Repealer: Section 533.0351 (Local Authority Network Advisory Committee), Health and Safety Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015.

SECTION 1.06. (a) Provides that the Worksite Wellness Advisory Board (board) is abolished.

(b) Amends Section 664.052, Government Code, as follows:

Sec. 664.052. RULES. Requires the executive commissioner of the Health and Human Services Commission (executive commissioner) to adopt rules for the administration of this subchapter, rather than requires the executive commissioner to adopt rules for the administration of this subchapter, including rules prescribing the frequency and location of board meetings.

(c) Amends Section 664.058, Government Code, to change a reference to the board to the Department of State Health Services (DSHS).

(d) Amends Section 664.061(a), Government Code, to change a reference to the board to DSHS.

(e) Repealers: Sections 664.051(1) (defining "board"), 664.054 (Worksite Wellness Advisory Board; Composition), 664.055 (Reimbursement), 664.056 (Administration), 664.057 (Applicability of Other Law), 664.059 (Duties), and 664.060(c) (authorizing members of a wellness council to review the recommendations of the board and develop a plan to implement the recommendations) and (f) (authorizing a wellness council to annually identify best practices for worksite wellness in the agency and report the practices to the board), Government Code.

SECTION 1.07. (a) Provides that the Sickle Cell Advisory Committee is abolished.

(b) Amends Section 33.052, Health and Safety Code, as follows:

Sec. 33.052. DUTIES OF DEPARTMENT. Requires the Texas Department of Health (TDH) to identify efforts related to the expansion and coordination of education, treatment, and continuity of care programs for individuals with sickle cell trait and sickle cell disease. Deletes existing text requiring TDH to assist the advisory committee created under Section 33.053 and provide the advisory committee created under Section 33.053 with staff support necessary for the advisory committee to fulfill its duties.

(c) Repealer: Section 33.053 (Advisory Committee), Health and Safety Code.

SECTION 1.08. (a) Provides that the Arthritis Advisory Committee is abolished.

(b) Repealer: Section 97.007 (Arthritis Advisory Committee), Health and Safety Code.

SECTION 1.09. (a) Provides that the Advisory Panel on Health Care-Associated Infections and Preventable Adverse Events (advisory committee) is abolished.

(b) Amends Section 536.002(b), Government Code, to delete existing text requiring that the advisory committee consist of physicians and other health care providers, representatives of health care facilities, representatives of managed care organizations, and other stakeholders interested in health care services provided in this state, including at least one member who is a member of the Advisory Panel on Health Care-Associated Infections and Preventable Adverse Events who meets the qualifications prescribed by Section 98.052(a)(4), Health and Safety Code. Makes nonsubstantive changes.

(c) Amends the heading to Subchapter C, Chapter 98, Health and Safety Code, to read as follows:

SUBCHAPTER C. DUTIES OF DEPARTMENT; REPORTING SYSTEM

(d) Amends Section 98.1045(b), Health and Safety Code, to authorize the executive commissioner to exclude an adverse event described by Subsection (a)(2) (requiring each health care facility to report to DSHS the occurrence of an event included in the list of adverse events identified by the National Quality Forum that is not included in this

subsection) of preventable adverse events involving the facility's patient from the reporting requirement of Subsection (a) (requiring each health care facility to report to DSHS the occurrence of certain preventable adverse events involving the facility's patient as set forth) if the executive commissioner determines, rather than the executive commissioner in consultation with the advisory panel determines, that the adverse event is not an appropriate indicator of a preventable adverse event.

(e) Amends Section 98.105, Health and Safety Code, to delete text providing that the advisory panel make recommendations to the executive commissioner.

(f) Amends Section 98.106(c), Health and Safety Code, to delete existing text providing that DSHS consult with the advisory panel.

(g) Amends Section 98.108(a), Health and Safety Code, to delete existing text providing that the executive commissioner to consult with the advisory panel.

(h) Repealers: Sections 98.001(1) (defining "advisory panel") and 98.002 (Applicability of Other Law), Health and Safety Code.

Repealer: Subchapter B (Advisory Panel), Chapter 98, Health and Safety Code.

SECTION 1.10. (a) Provides that the Youth Camp Training Advisory Committee is abolished.

(b) Amends Section 141.0095(d), Health and Safety Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

(d) Requires the executive commissioner, in accordance with this section, rather than in accordance with this section and the criteria and guidelines developed by the training advisory committee established under Section 141.0096, to establish criteria and guidelines for training and examination programs on sexual abuse and child molestation.

(c) Repealer: Section 141.0096 (Training Advisory Committee), Health and Safety Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015.

SECTION 1.11. (a) Provides that the Drug Demand Reduction Advisory Committee is abolished.

(b) Repealer: Subchapter F (Funding), Chapter 461A, Health and Safety Code, as added by S.B. No. 219, Acts of the 84th Legislature, Regular Session, 2015.

(c) Repealer: Section 7.030 (Advisory Committee Participation), Education Code.

SECTION 1.12. (a) Provides that the Texas Medical Child Abuse Resources and Education System (MEDCARES) Advisory Committee (advisory committee) is abolished.

(b) Reenacts Section 1001.155, Health and Safety Code, as added by Chapter 1238 (S.B. 2080), Acts of the 81st Legislature, Regular Session, 2009, and amends it, as follows:

Sec. 1001.155. **REQUIRED REPORT.** Requires DSHS, rather than requires DSHS with the assistance of the advisory committee established under this subchapter, not later than December 1 of each even-numbered year, to submit a report to the governor and the legislature regarding the grant activities of the program and grant recipients, including the results and outcomes of grants provided under this subchapter.

(c) Repealer: Section 1001.153 (MEDCARES Advisory Committee), Health and Safety Code, as added by Chapter 1238 (S.B. 2080), Acts of the 81st Legislature, Regular Session, 2009.

SECTION 1.13. Amends Section 40.030, Human Resources Code, as follows:

Sec. 40.030. ADVISORY COMMITTEES. (a) Creates this subsection from existing text.

(b) Requires the executive commissioner to adopt rules, in compliance with Chapter 2110 (State Agency Advisory Committees), Government Code, regarding the purpose, structure, and use of advisory committees by the Department of Family and Protective Services (DFPS). Provides that the rules may include provisions governing:

(1) an advisory committee's size and quorum requirements;

(2) qualifications for membership of an advisory committee, including requirements relating to experience and geographic representation and requirements for the department to include as members of advisory committees youth who have aged out of foster care and parents who have successfully completed family service plans and whose children were returned to the parents, as applicable;

(3) appointment procedures for an advisory committee;

(4) terms for advisory committee members; and

(5) compliance with Chapter 551 (Open Meetings), Government Code.

SECTION 1.14. (a) Provides that the Texas Institute of Health Care Quality and Efficiency (institute) is abolished.

(b) Amends Section 98.1046(a), Health and Safety Code, to require DSHS, rather than requires DSHS in consultation with the Texas Institute of Health Care Quality and Efficiency under Chapter 1002, using data submitted under Chapter 108 (Texas Health Care Information Council), to publicly report for hospitals in this state risk-adjusted outcome rates for those potentially preventable complications and potentially preventable readmissions that DSHS, rather than DSHS in consultation with the institute, has determined to be the most effective measures of quality and efficiency.

(c) Amends Section 98.1047(a), Health and Safety Code, to require DSHS, rather than requires DSHS in consultation with the Texas Institute of Health Care Quality and Efficiency under Chapter 1002, to study which adverse health conditions commonly occur in long-term care facilities and, of those health conditions, which are potentially preventable.

(d) Amends Section 98.1065, Health and Safety Code, to make a conforming change.

(e) Repealer: Chapter 1002 (Texas Institute of Health Care Quality and Efficiency), Health and Safety Code, as amended by S.B. No. 219, Acts of the 84th Legislature, Regular Session, 2015.

Repealer: Section 848.001(7) (defining "institute"), Insurance Code.

SECTION 1.15. (a) Provides that the stakeholder workgroup established in connection with the jail-based restoration of competency pilot program is abolished.

(b) Amends Article 46B.073(e), Code of Criminal Procedure, to provide that this subsection expires September 1, 2019, rather than September 1, 2017.

(c) Amends Subsections (c) and (o), Article 46B.090, Code of Criminal Procedure, as follows:

(c) Requires the commissioner of DSHS (commissioner), rather than requires the commissioner of DSHS in consultation with a stakeholder workgroup established by DSHS as provided by Subsection (d), not later than November 1, 2013, to adopt rules as necessary to implement the pilot program.

(o) Provides that this article expires September 1, 2019, rather than September 1, 2017.

(d) Repealers: Subsections (d) (requiring the commissioner to establish a stakeholder workgroup, composed of certain members as set forth to participate in developing and establishing rules for the pilot program) and (e) (providing that this subsection and Subsection (d) expire not later than the 30th day after the date rules under Subsection (c) are adopted), Article 46B.090, Code of Criminal Procedure.

ARTICLE 2. CHANGES TO ENTITIES EFFECTIVE JANUARY 1, 2016

SECTION 2.01. Amends Section 262.353(d), Family Code, to delete a reference to the Council on Children and Families.

SECTION 2.02. (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, rather than authorizes the executive commissioner to appoint advisory committees as needed, to consider issues and solicit public input across all major areas of the health and human services system, including relating to the following issues as set forth.

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

(c) Requires the executive commissioner to adopt rules:

(1) in compliance with Chapter 2110 to govern an advisory committee's purpose, tasks, reporting requirements, and date of abolition; and

(2) related to an advisory committee's:

(A) size and quorum requirements;

(B) membership, including qualifications to be a member, including any experience requirements; required geographic representation; appointment procedures; and terms of members; and

(C) duty to comply with the requirements for open meetings under Chapter 551.

(d) Requires an advisory committee established under this section to:

(1) report any recommendations to the executive commissioner; and

(2) submit a written report to the legislature of any policy recommendations made to the executive commissioner under Subdivision (1).

(b) Requires the executive commissioner, not later than March 1, 2016, to adopt rules under Section 531.012, Government Code, as amended by this article. Provides that this subsection takes effect September 1, 2015.

SECTION 2.03. 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 available on HHSC's Internet website the master calendar, all meeting materials for an advisory committee meeting, and streaming live video of each advisory committee meeting.

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

SECTION 2.04. Amends Section 531.0216(b), Government Code, to delete existing text requiring the executive commissioner, in developing the system, by rule to consult with the Department of State Health Services and the telemedicine and telehealth advisory committee to establish procedures to identify clinical evidence supporting delivery of health care services using a telecommunications system and annually review health care services, considering new clinical findings, to determine whether reimbursement for particular services should be denied or authorized.

SECTION 2.05. Amends Section 531.02441(j), Government Code, to provide that the interagency task force on ensuring appropriate care settings for persons with disabilities is abolished and this section expires September 1, 2017, and makes a nonsubstantive change.

SECTION 2.06. Amends Section 531.051(c), Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, to delete existing text requiring the executive commissioner, in adopting rules for the consumer direction models, with assistance from the work group established under Section 531.052, to determine which services are appropriate and suitable for delivery through consumer direction and work in conjunction with the work group established under Section 531.052 to set a timetable to complete the implementation of the consumer direction models.

SECTION 2.07. 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. Requires 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 that the program use financial, clinical, and other criteria based on pharmacy, medical services, and other claims data related to Medicaid or the child health plan program.

Deletes existing Subsection (a) requiring HHSC to appoint a Public Assistance Health Benefit Review and Design Committee (committee). Deletes existing text providing that the committee consists of nine representatives of health care providers participating in Medicaid or the child health plan program, or both. Deletes existing text requiring that the committee membership include at least three representatives from each program.

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

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

Deletes existing Subsection (d) text requiring the committee to review and provide recommendations to HHSC regarding health benefits and coverages provided under Medicaid, the child health plan program, and any other income-based health care program administered by HHSC or a health and human services agency. Deletes existing text requiring the committee, in performing its duties under this subsection to review benefits provided under each of the programs and review procedures for addressing high utilization of benefits by recipients.

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

Deletes existing Subsection (f) providing that Section 2110.008 does not apply to the committee.

Deletes existing Subsection (g) designation and text authorizing HHSC, in performing the duties under this section, 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. Deletes existing text requiring HHSC to report to the committee on the fiscal impact, including any savings associated with the strategies utilized under this section.

SECTION 2.08. (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, as follows:

Sec. 531.0735 MEDICAID DRUG UTILIZATION REVIEW PROGRAM: DRUG USE REVIEWS AND ANNUAL REPORT. Redesignates Section 531.0691, Government Code, as Section 531.0735, Government Code, and makes no further change to this section.

(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" for purposes of this section.

(b) Requires the Drug Utilization Review Board (board), in addition to performing any other duties required by federal law, to:

(1) develop and submit to HHSC recommendations for preferred drug lists adopted by HHSC under Section 531.072 (Preferred Drug Lists);

(2) suggest to HHSC restrictions or clinical edits on prescription drugs;

(3) recommend to HHSC educational interventions for Medicaid providers;

(4) review drug utilization across Medicaid; and

(5) perform other duties that may be specified by law and otherwise make recommendations to HHSC.

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

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

(2) include two representatives of managed care organizations as nonvoting members, one of whom must be a physician and one of whom must be a pharmacist;

(3) include at least 17 physicians and pharmacists who:

(A) provide services across the entire population of Medicaid recipients and represent different specialties, including at least one of each of the following types of physicians set forth;

(B) have experience in either developing or practicing under a preferred drug list; and

(4) include a consumer advocate who represents Medicaid recipients.

(c-1) Requires the executive commissioner by rule to develop and implement a process by which a person may apply to become a member of the board and shall post the application and information regarding the application process on HHSC's Internet website.

(d) Authorizes members appointed under Subsection (c)(2) to attend quarterly and other regularly scheduled meetings, but may not:

(1) attend executive sessions; or

(2) access 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. Requires the presiding officer to be a physician.

(g) Requires the board to hold a public meeting quarterly at the call of the presiding officer and shall permit public comment before voting on any changes in the preferred drug lists, the adoption of or changes to drug use criteria, or the adoption of prior authorization or drug utilization review proposals. Requires the board to hold public meetings at other times at the call of the presiding officer. Requires that the 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) 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), by rule to 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 at least once every 12 months and may recommend inclusions to and exclusions from the lists to ensure that the lists provide for a range of clinically effective, safe, cost-effective, and medically appropriate drug therapies for the diverse segments of the Medicaid population, 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. Requires that the public disclosure include:

(1) the general basis for the recommendation for each drug class; and

(2) for each recommendation, whether a supplemental rebate agreement or a program benefit agreement was reached under Section 531.070 (Supplemental Rebates).

(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. Redesignates Section 531.0692, Government Code, as Section 531.0737, Government Code. (a) Prohibits a voting member of the Drug Utilization Review Board, rather than the board of the Medicaid Drug Utilization Review Program, from having a contractual relationship, ownership interest, or other conflict of interest with a pharmaceutical manufacturer or labeler or with an entity engaged by HHSC to assist in the development of the preferred drug lists or in the administration of the Medicaid Drug Utilization Review Program.

(b) Makes no change to this subsection.

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

(c) Requires HHSC, in making a decision regarding the placement of a drug on each of the preferred drug lists, to:

(1) the recommendations of the board under Section 531.0736, rather than the recommendations of the Pharmaceutical and Therapeutics Committee (committee) established under Section 531.074;

(2)-(4) Makes no change to these subdivisions.

(e) Requires HHSC to ensure that:

(1) Makes no change to this subsection;

(2) Changes references to the committee to the board.

(e) Amends Section 531.073(b), Government Code, as follows:

(b) Requires that the procedures, specifically ensure that:

(1) a prior authorization requirement is not imposed for a drug before the drug has been considered at a meeting of the board under Section 531.0736, rather than a meeting of the committee under Section 531.074;

(2) and (3) Makes no change to these subdivisions.

(f) Amends Section 531.0741, Government Code, to change references to the committee to the board and to change a reference to Section 531.074 to Section 531.0736.

(g) Repealer: Section 531.074 (Pharmaceutical and Therapy Companies), 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 January 1, 2016, expires on February 29, 2016. Requires the executive commissioner of HHSC, not later than March 1, 2016, to appoint the initial members to the Drug Utilization Review Board in accordance with Section 531.0736, Government Code, as added by this article, for terms beginning March 1, 2016. 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 March 1, 2018, and the remaining members to serve for terms expiring March 1, 2020.

(i) Requires the executive commissioner, not later than February 1, 2016, and before making initial appointments to the Drug Utilization Review Board as provided by Subsection (h) of this section, to adopt and implement the application process required under Section 531.0736(c-1), Government Code, as added by this article.

(j) Requires the executive commissioner, not later than May 1, 2016, and except as provided by Subsection (i) of this section, 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 2.09. Amends the heading to Subchapter D, Chapter 531, Government Code, to read as follows:

SUBCHAPTER D. PLAN TO SUPPORT GUARDIANSHIPS

SECTION 2.10. Amends Section 531.124, Government Code, to delete existing designation of Subsection (a) and text requiring HHSC, with the advice of the Guardian Advisory Board (advisory board), subject to appropriations, to implement a plan as set forth.

Deletes existing Subsection (b) requiring the advisory board to biennially review and comment on the minimum standards adopted under Section 111.041 and the plan implemented under Subsection (a) and to include its conclusions in the report submitted under Section 531.1235.

SECTION 2.11. Amends Section 531.907(a), Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, to delete a reference to recommendations of the Electronic Health Information exchange System Advisory Committee (advisory committee) established under Section 531.904.

SECTION 2.12. Amends Section 531.909, Government Code, to make a conforming change.

SECTION 2.13. Amends Section 533.00251(c), Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, to delete existing text providing that HHSC consult with the STAR + PLUS Nursing Facility Advisory Committee (advisory committee).

SECTION 2.14. Amends Section 533.00253, Government Code, by amending Subsection (b), as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, and Subsection (f), as follows:

(b) Deletes a reference to the advisory committee in a list of organizations in consultation with HHSC.

(f) Provides that this subsection expires on the date the Children's Policy Council is abolished under Section 22.035(n), Human Resources Code.

SECTION 2.15. Amends Section 533.00254(f), Government Code, as follows:

(f) Provides that on the first anniversary of the date HHSC completes implementation of the STAR Kids Medicaid managed care program under Section 533.00253 (STAR Kids Medicaid Managed Care Program), the advisory committee is abolished and this section expires. Deletes existing text providing that on September 1, 2016 the advisory committee is abolished and this section expires.

SECTION 2.16. Amends Section 533.00256(a), Government Code, as follows:

(a) Requires HHSC, in consultation with appropriate stakeholders with an interest in the provision of acute care services and long-term services and supports under the Medicaid managed care program, rather than in consultation with the Medicaid and CHIP Quality-Based Payment Advisory Committee established under Section 536.002 and other appropriate stakeholders with an interest in the provision of acute care services and long-term services and supports under the Medicaid managed care program, to:

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

SECTION 2.17. Amends Section 534.053(g), Government Code, as follows:

(g) Provides that on the one-year anniversary of the date HHSC completes implementation of the transition required under Section 534.202 (Transition of ICF-IID Program Recipients and Certain Other Medicaid Waiver Program Recipients to Managed Care Program) the advisory committee is abolished and this section expires. Deletes existing text providing that on January 1, 2024, the advisory committee is abolished and this section expires.

SECTION 2.18. Amends Section 535.053, Government Code, by amending Subsection (a) and adding Subsection (a-1), as follows:

(a) Deletes existing text requiring HHSC to provide administrative support to the interagency coordinating group.

(a-1) Provides that service on the interagency coordinating group is an additional duty of the office or position held by each person designated as a liaison under Section 535.051(b) (requiring the chief administrative officer of each of the following state agencies, in consultation with the governor, to designate one employee from the agency to serve as a liaison for faith- and community-based organizations as set forth). Requires the state agencies described by Section 535.051(b) to provide administrative support for the interagency coordinating group as coordinated by the presiding officer.

SECTION 2.19. Amends Sections 535.055(a) and (b), Government Code, as follows:

(a) Requires the state agencies of the interagency coordinating group described by Section 535.051(b), rather than requires HHSC, to provide administrative support to the council as coordinated by the presiding officer of the interagency coordinating group.

(b) Requires the governor, rather than executive commissioner, in with the presiding officer of the interagency coordinating group, to appoint as members of the council two representatives from each of the following groups and entities to represent each group's and entity's appropriate sector:

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

(3) faith-based groups, at least one of which must be a statewide interfaith group;

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

SECTION 2.20. Amends Section 535.104(a), Government Code, to delete existing text requiring HHSC to establish policies and procedures to ensure that any money appropriated from the account to HHSC that is allocated to build the capacity of a faith-based organization or for a faith-based initiative, including money allocated for the establishment of the advisory committee under Section 535.108, is not used to advance a sectarian purpose or to engage in any form of proselytization.

SECTION 2.21. Amends Section 536.001(20), Government Code, to redefine "potentially preventable readmission."

SECTION 2.22. 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, in consultation with the Medicaid and Chip Quality-Based Payment Advisory Committee (advisory committee) to develop quality-based outcome and process measures that promote the provision of efficient, quality health care and that can be used in the child health plan program and Medicaid to implement quality-based payments for acute care services and long-term services and supports across all delivery models and payment systems, including fee-for-service and managed care payment systems.

SECTION 2.23. 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, using quality-based outcome and process measures developed under Section 536.003 (Medicaid and Chip Quality-Based Payment Advisory Committee) and subject to this section, after consulting with the advisory committee and other appropriate stakeholders with an interest in the provision of acute care and long-term services and supports under the child health plan program and Medicaid, to develop quality-based payment systems, and require managed care organizations to develop quality-based payment systems, for compensating a physician or other health care provider participating in the child health plan program or Medicaid that meets certain requirements set forth.

SECTION 2.24. Amends Section 536.006(a), Government Code, to delete a reference to the advisory committee.

SECTION 2.25. Amends Section 536.052(b), Government Code, to delete existing text requiring HHSC, after consulting with the advisory committee, to develop quality of care and cost-efficiency benchmarks, including benchmarks based on a managed care organization's performance with respect to reducing potentially preventable events and containing the growth rate of health care costs.

SECTION 2.26. Amends Section 536.102(a), Government Code, to delete existing text authorizing HHSC, subject to this subchapter, after consulting with the advisory committee, to develop and implement quality-based payment systems for health homes designed to improve quality of care and reduce the provision of unnecessary medical services. Makes no further change to this subsection.

SECTION 2.27. Amends Section 536.152(a), Government Code, to delete existing text providing that HHSC consult with the advisory committee.

SECTION 2.28. Amends Section 536.202(a), Government Code, to delete existing text providing that HHSC consult with the advisory committee.

SECTION 2.29. Amends Section 536.204(a), Government Code, as follows:

(a) Requires the executive commissioner to develop quality of care and cost-efficiency benchmarks and measurable goals that a payment initiative must meet to ensure high-quality and cost-effective health care services and healthy outcomes. Deletes existing text requiring the executive commissioner to consult with the advisory committee to develop quality of care and cost-efficiency benchmarks and measurable goals that a payment initiative must meet to ensure high-quality and cost-effective health care services and healthy outcomes and approve benchmarks and goals developed as provided by Subdivision (1).

SECTION 2.30. Amends Section 536.251(a), Government Code, to delete a reference providing that HHSC consult with the advisory committee.

SECTION 2.31. Amends Section 538.052(a), Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

(a) Deletes existing text requiring HHSC, subject to Subsection (b) (prohibiting HHSC from accepting suggestions under this section for certain initiatives), to solicit and accept suggestions for clinical initiatives, in either written or electronic form, from the Electronic Health Information Exchange System Advisory Committee established under Section 531.904. Makes nonsubstantive changes.

SECTION 2.32. Amends Section 22.035, Human Resources Code, by adding Subsection (n), to provide that the Children's Policy Council (work group) is abolished and this section expires September 1, 2017.

SECTION 2.33. (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, not later than January 1, 2016, 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.

SECTION 2.34. Amends Section 32.0641(a), Human Resources Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, as follows:

(a) Requires the executive commissioner, to the extent permitted under and in a manner that is consistent with Title XIX, Social Security Act (42 U.S.C. Section 1396 et seq.) and any other applicable law or regulation or under a federal waiver or other authorization, to adopt cost-sharing provisions that encourage personal accountability and appropriate utilization of health care services, including a cost-sharing provision applicable to a recipient who chooses to receive a nonemergency medical service through a hospital emergency room. Delete a reference to consulting with the Medicaid and CHIP Quality-Based Payment Advisory Committee established under Section 536.002, Government Code.

SECTION 2.35. Amends Section 1352.004(b), Insurance Code, to require the commissioner of insurance (commissioner), rather than requires the commissioner in consultation with the Texas Traumatic Brain Injury Advisory Council, to prescribe by rule the basic requirements for the training described by this subsection.

SECTION 2.36. Amends Section 1352.005(b), Insurance Code, to require the commissioner, rather than require the commissioner in consultation 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 2.37. (a) Repealer: Section 162.309, Family Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015.

(b) 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:

- (1) Section 531.0217(j) (requiring the executive commissioner to establish an advisory committee to coordinate state telemedicine efforts and assist HHSC with certain information set forth);
- (2) Section 531.02172 (Telemedicine and Telehealth Advisory Committee);
- (3) Section 531.02173(c) (requiring HHSC to perform its duties under this section with assistance from the telemedicine and telehealth advisory committee);
- (4) Section 531.052 (Consumer Direction Work Group);
- (5) Section 531.0571 (Volunteer Advocate Program Advisory Committee);
- (6) Section 531.068 (Medicaid or Other Health Benefit Coverage);
- (7) Sections 531.121(1) (defining "advisory board"), (5) (defining "private professional guardian"), and (6) (defining "statutory probate court");
- (8) Section 531.122 (Advisory Board; Membership);
- (9) Section 531.123 (Advisory Board; Officers and Meetings);
- (10) Section 531.1235 (Advisory Board; Duties; Statewide Guardianship System);

(11) Subchapters R (Advisory Committee on Qualification for Health Care Translators and Interpreters) and T (Council on Children and Families), Chapter 531;

(12) Section 531.904 (Electronic Health Information Exchange System Advisory Committee);

(13) Section 533.00251(a)(1) (defining "advisory committee");

(14) Section 533.00252 (STAR + PLUS Nursing Facility Advisory Committee);

(15) 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 facilitate the duties of the Behavioral Health Integration Advisory Committee);

(16) Section 533.00285 (STAR + PLUS Quality Council);

(17) Subchapters B (Regional Advisory Committees) and C (Statewide Advisory Committees), Chapter 533;

(18) Section 535.055(f) (providing that the Texas Nonprofit Council is subject to Chapter 325 (Texas Sunset Act));

(19) Section 535.108 (Renewing Our Communities Account Advisory Committee);

(20) Section 536.001(1) (defining "advisory committee");

(21) the heading to Section 536.002 (Medicaid and CHIP Quality-Based Payment Advisory Committee);

(22) Sections 536.002(a) (providing that the Medicaid and CHIP Quality-Based Payment Advisory Committee is established to advise HHSC on establishing certain programs) and (c) (requiring the executive commissioner to appoint the presiding officer of the advisory committee);

(23) Section 536.002(b) (requiring the executive commissioner to appoint certain members of the advisory committee), as amended by Article 1 of this Act; and

(24) Section 536.007(b) (Periodic Evaluation).

(c) 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:

(1) Subchapter C (Task Force on Domestic Violence), Chapter 32;

(2) Section 62.151(e) (requiring the commissioner to seek input from the Public Assistance Health Benefit Review and Design Committee);

(3) Section 62.1571(c) (requiring the executive commissioner, in developing the policies required by Subsection (a), to consult with the telemedicine and telehealth advisory committee);

(4) Section 81.010 (Interagency Coordinating Council for HIV and Hepatitis);

(5) Section 92.011 (Coordination with Texas Traumatic Brain Injury Advisory Council);

(6) Subchapter B (Texas Traumatic Brain Injury Advisory Council), Chapter 92; and

(7) Chapter 115 (Task Force for Children With Special Needs).

(d) Repealers: Section 32.022(e) (requiring HHSC to appoint a hospital payment advisory committee), Human Resources Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, and Section 40.073 (Parental Advisory Committee), Human Resources Code.

SECTION 2.38. Provides that, the effective date of this article, the following advisory committees are abolished:

(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 Consumer Direction Work Group;

(5) the Council on Children and Families;

(6) the Electronic Health Information Exchange System Advisory Committee;

(7) the Guardianship Advisory Board;

(8) the hospital payment advisory committee;

(9) the Interagency Coordinating Council for HIV and Hepatitis;

(10) the Medicaid and CHIP Quality-Based Payment Advisory Committee;

(11) each Medicaid managed care advisory committee appointed for a health care service region under Subchapter B, Chapter 533, Government Code;

(12) the Public Assistance Health Benefit Review and Design Committee;

(13) the renewing our communities account advisory committee;

(14) the STAR + PLUS Nursing Facility Advisory Committee;

(15) the STAR + PLUS Quality Council;

(16) the state Medicaid managed care advisory committee;

(17) the task force on domestic violence;

(18) the Interagency Task Force for Children With Special Needs;

(19) the telemedicine and telehealth advisory committee;

(20) the board of directors of the Texas Institute of Health Care Quality and Efficiency;

(21) the Texas Traumatic Brain Injury Advisory Council; and

(22) the volunteer advocate program advisory committee.

SECTION 2.39. (a) Requires the executive commissioner, not later than November 1, 2015, to publish in the Texas Register:

(1) a list of the new advisory committees established or to be established as a result of this article, including the advisory committees required under Section 531.012(a), Government Code, as amended by this article; and

(2) a list that identifies the advisory committees listed in Section 2.40 of this article:

(A) that will not be continued in any form; or

(B) whose functions will be assumed by a new advisory committee established under Section 531.012(a), Government Code, as amended by this article.

(b) Requires the executive commissioner to ensure that an advisory committee established under Section 531.012(a), Government Code, as amended by this article, begins operations immediately on its establishment to ensure ongoing public input and engagement.

(c) Provides that this section takes effect September 1, 2015.

SECTION 2.40. Effective date, except as otherwise provided by this article: January 1, 2016.

ARTICLE 3. TRANSITION, FEDERAL AUTHORIZATION, AND GENERAL EFFECTIVE DATE

SECTION 3.01. Requires HHSC, if an entity that is abolished by this Act has property, records, or other assets, to take custody of the entity's property, records, or other assets.

SECTION 3.02. 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 a delay of implementation until such a waiver or authorization is granted.

SECTION 3.03. Effective date, except as otherwise provided by this Act, September 1, 2015.