5/16/95

SUBJECT: Mental health and mental retardation fee schedules

COMMITTEE: Public Health — committee substitute recommended

VOTE: 9 ayes — Berlanga, Hirschi, Coleman, Delisi, Glaze, Janek, Maxey,

McDonald, Rodriguez

0 nays

SENATE VOTE: On final passage, March 23 — 30-0

WITNESSES: (On House companion, HB 1975):

For — None

Against — None

On — Karen Hale, Texas Department of Mental Health and Mental

Retardation

BACKGROUND: The Texas Department of Mental Health and Mental Retardation

(TxMHMR) is entitled by law to charge for services to nonindigent clients, up to the cost to the state of providing the services. The department is required to establish a sliding fee schedule for service payment according to ability to pay. TxMHMR is statutorily prohibited from denying services

because of a client's inability to pay.

DIGEST: SB 605 would require TxMHMR to evaluate, and if necessary revise, the

state hospital and state school fee schedules by January 1, 1996, and at

least once every five years.

The bill would take immediate effect if approved by two-thirds of the

membership of each house.

SUPPORTERS

SAY:

SB 605 would help contain Medicaid costs by ensuring that fee schedules reflect actual costs and that the state does not unnecessarily pay for services for clients whose families who can afford to pay. Fee schedules currently in use have not been updated since 1985, and may not reflect actual costs

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of care. The fee revisions were recommended by the Senate Health and Human Services Committee interim study to contain Medicaid spending.

OPPONENTS SAY:

No apparent opposition.