

- SUBJECT:** Consolidating rate-setting at DARS
- COMMITTEE:** Human Services — committee substitute recommended
- VOTE:** 7 ayes — Hupp, Eissler, A. Allen, J. Davis, Goodman, Paxton, Reyna  
0 nays  
2 absent — Gonzalez Toureilles, Naishtat
- WITNESSES:** For — Jim Caldwell, Texas Silver Haired Legislature  
Against — None  
On — Glenn Neal, Department of Assistive and Rehabilitative Services
- BACKGROUND:** The Department of Assistive and Rehabilitative Services (DARS) is one of the four new health and human services departments created by HB 2292 by Wohlgemuth, the HHS reorganization bill, in 2003. It serves people with disabilities and offers some medical services, mostly in the form of assistive services. The amount of state reimbursement for these medical services is set by the department.  
  
DARS has rate-setting processes attached to the rehabilitation services department and the blind and visually handicapped services department, reflecting the agency structure before reorganization. HB 2292 required HHS departments to consolidate functions where possible.
- DIGEST:** CSHB 1912 would direct the commissioner of DARS to establish a rate-setting process for medical services reimbursed by that agency. In establishing the rate schedule, the commissioner would compare the rates to those paid by other entities, including Medicaid and Medicare, for medical services and document the rationale behind any rate that was higher than the reimbursement rate paid by Medicaid or Medicare. The commissioner also would be required to provide notice to stakeholders and allow them to present comments before a rate schedule were adopted.

The bill would repeal the individual rate-setting functions at the rehabilitation services department and the blind and visually handicapped services department at DARS. It would take effect September 1, 2005.

**SUPPORTERS  
SAY:**

CSHB 1912 would make an administrative change only and would not have any effect on the actual rate-setting process. All of the public input and information elements that are built in to the rate-setting process would continue, so stakeholders would not see any actual difference in how the process works.

**OPPONENTS  
SAY:**

No apparent opposition.

**NOTES:**

The committee substitute made a conforming terminology change.