

- SUBJECT:** Reimbursement rates for Medicaid-related nursing home services
- COMMITTEE:** Human Services — committee substitute recommended
- VOTE:** 8 ayes — Rose, Herrero, Darby, Elkins, Hughes, Legler, Naishtat, Walle  
0 nays  
1 absent — Hernandez
- WITNESSES:** For — Tim Graves, Texas Health Care Association; George Linial, Texas Association of Homes and Services for the Aging; (*Registered, but did not testify*: Carlos Higgins, Katy Kappel, Texas Silver-Haired Legislature; Sid Rich, Texas Association of Residential Care Communities; David Thomason, Texas Senior Advocacy Coalition)  
  
Against — None
- BACKGROUND:** Human Resources Code, ch. 32 governs the Medical Assistance Program, which provides medical assistance to needy individuals, while enabling the state to obtain Social Security and Medicaid benefits for those individuals in order to offset the cost of care.
- DIGEST:** CSHB 4158 would amend Human Resources Code, ch. 32 to require the Health and Human Services Commission (HHSC) to periodically conduct an analysis of the base rates paid for nursing home services provided under the medical assistance program in order to appropriately set future rates. In conducting the analysis, HHSC could consider any factors it considered relevant, including:
- the costs incurred by nursing homes to provide services to recipients of medical assistance;
  - general and health-care specific inflation issues;
  - rates paid in other states for comparable services; and
  - incentives offered to improve quality of care.
- If a state agency determined that a waiver or other federal authorization was required before implementing any provision of the bill, the agency

would request the waiver or authorization and could delay implementing that provision until the waiver or authorization was granted.

The bill would take effect September 1, 2009.