

- SUBJECT:** Local health departments as providers under Medicaid
- COMMITTEE:** Human Services — favorable, without amendment
- VOTE:** 7 ayes — Frank, Hinojosa, Hull, Klick, Meza, Noble, Shaheen
- 0 nays
- 2 absent — Neave, Rose
- SENATE VOTE:** On final passage, April 12 — 28-3 (Hall, Hughes, Springer)
- WITNESSES:** For — Stephen Williams, Texas Association of City County Health Officials; (*Registered, but did not testify*: Adrienne Sturup, City of Austin; Tammy Embrey, City of Corpus Christi; Guadalupe Cuellar, City of El Paso; Jamaal Smith, City of Houston, Office of the Mayor Sylvester Turner; Christine Wright, City of San Antonio; Jim Allison, County Judges and Commissioners Association of Texas; Charles Reed, Dallas County Commissioners Court; Tammy Narvaez, Harris County Commissioners Court; Christine Yanas, Methodist Healthcare Ministries of South Texas, Inc.; Julie Wheeler, Travis County Commissioners Court; Thomas Parkinson)
- Against — None
- BACKGROUND:** Interested parties have noted that local public health entities are an important part of the health care delivery system in Texas but sometimes experience contracting challenges with managed care organizations (MCOs) and with being reimbursed for services provided and funded through Medicaid. Some have called for reducing barriers to participation in the state Medicaid program for local health departments and certain health service regional offices by requiring the establishment of a separate provider type for such entities for purposes of enrollment as a provider under Medicaid.
- DIGEST:** SB 73 would require the Health and Human Services Commission

(HHSC) executive commissioner to establish a separate provider type for a local public health entity, including a health service regional office acting in the capacity of a local public health entity, for purposes of enrollment as a provider for and reimbursement under Medicaid.

"Local public health entity" would be defined as a local health unit, a local health department, or a public health district.

"Health service regional office" would be defined as an office located in a public health region and administered by a regional director.

HHSC and the Department of State Health Services (DSHS) would be required to implement provisions of the bill only if the Legislature appropriated money specifically for that purpose. If money was not specifically appropriated for the bill, HHSC and DSHS could, but would not be required to, implement provisions of the bill using other appropriations that were available for that purpose.

The bill would take effect September 1, 2022.

NOTES:

According to the Legislative Budget Board, the bill would have a negative impact of about \$1 million to general revenue related funds through fiscal 2023.