

BILL ANALYSIS

Senate Research Center
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S.B. 427
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Health & Human Services
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DIGEST AND PURPOSE

Under current law, the Department of Human Services (DHS) has satellite employees who are stationed in various health care entities across the state to determine an individual's eligibility for Medicaid. These satellite employees are funded with a combination of local and federal dollars; however, they receive their official paycheck from the state. Local health care entities have cited that often they have administrative work for the satellite employees to perform but do not feel they have the necessary management authority over the satellite employees to give them that work. Counties and hospital districts across the state already employ individuals to determine eligibility for county-based health care services. The county-based eligibility employees work side-by-side with DHS satellite employees, providing the same type of service, yet for different programs. As proposed, S.B. 427 authorizes the state to contract with a variety of locally-based health care entities to provide eligibility determination services.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 32B, Human Resources Code, by adding Section 32.0252, as follows:

Sec. 32.0252. CONTRACT TO PROVIDE ELIGIBILITY DETERMINATION SERVICES. (a) Authorizes the Health and Human Services Commission (HHS) or an agency operating part of the medical assistance program (department), to the extent allowed by federal law, and except as otherwise provided by this section, to contract for the provision of medical assistance eligibility determination services with certain local government entities.

(b) Authorizes the department to contract with an entity described by subsection (a) for the entity to designate one or more employees of the entity to process medical assistance application forms and conduct client interviews for eligibility determinations.

(c) Requires the contract, except as provided by Subsection (d), to require each designated employee to submit completed application forms to the appropriate agency as determined by the department so the appropriate agency can make a final determination of eligibility and enroll eligible persons in the program.

(d) Authorizes HHS or the commissioner or executive director of an agency operating part of the medical assistance program (commissioner), notwithstanding Subsection (c), to apply for federal authorization to allow a designated employee of an entity described in Subsection (a) to make a final determination of eligibility or enroll an eligible person in the program.

(e) Authorizes the department to monitor the eligibility and application processing program used

by an entity and provide on-site supervision for quality control.

(f) Requires HHS to ensure that there are adequate protections to avoid a conflict of interest with an entity described by Subsection (a) that has a contract for eligibility determination services and also has a contract, either directly or through an affiliated entity, as a managed care organization for the medical assistance program or for the child health plan program under Chapter 62, Health and Safety Code (Child Health Plan for Certain Low-Income Children.) Requires HHS to ensure that there are adequate protections for recipients to freely choose a health plan without being inappropriately induced to join an entity's health plan.

SECTION 2. Effective date: September 1, 2003.