

BILL ANALYSIS

Senate Research Center

S.B. 2138
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Health & Human Services
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Health and Human Services Commission (HHSC) administers numerous supplemental payment programs, including Section 1115 waiver and direct payment programs. HHSC uses general revenue to fund the state's share of administrative costs to operate the programs.

Together, these programs represent approximately \$8.5 billion of funding for the state's Medicaid providers, mainly hospitals. However, HHSC only has the resources to allocate about 45 employees to the administration of these programs, and most of those are diverted from other programs. In order to ensure that HHSC has the staff necessary to provide the appropriate oversight of these critical programs, S.B. 2138 would allow for HHSC to retain up to 1 percent of funds from the programs to be used for administration.

As proposed, S.B. 2138 amends current law relating to authority of the Health and Human Services Commission to retain portion of appropriated funds to pay for implementation of certain health care programs under the Medicaid program.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 1 (Section 531.021135, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter B, Chapter 531, Government Code, by adding Section 531.021135, as follows:

Sec. 531.021135. AUTHORITY TO RETAIN PORTION OF FUNDS TO PAY FOR IMPLEMENTATION OF CERTAIN PROGRAMS UNDER THE MEDICAID PROGRAM. (a) Authorizes the Health and Human Services Commission (HHSC) to retain and spend as provided by general appropriation an amount not to exceed one percent of the funds received for the operation of Section 1115 waiver programs and directed payment programs as authorized by federal law, as well as any successor programs as determined by HHSC, to pay for implementation of those health care programs.

(b) Requires the executive commissioner of HHSC to adopt rules to implement this section.

SECTION 2. Requires a state agency affected by any provision of this Act, if necessary for implementation of the provision, to request a waiver or authorization from a federal agency, and authorizes a delay of implementation until such waiver or authorization is granted.

SECTION 3. Effective date: upon passage or September 1, 2019.