

## **BILL ANALYSIS**

Senate Research Center

C.S.S.B. 1163  
By: Zaffirini  
Health & Human Services  
4-17-97  
Committee Report (Substituted)

### **DIGEST**

Texas began to implement managed care pilot programs in the state Medicaid program in 1993 under 1915(b) waivers from the federal government to control costs while ensuring quality of care. Legislation passed during the 74th Regular Session specifically directed the state Medicaid program to develop a 1115(a) waiver application to implement managed care statewide and to use pilot projects authorized by 1915(b) waivers to continue to roll out Medicaid managed care until the 1115(a) waiver application was approved. In 1996, the state Medicaid program rolled out 1915(b) pilot projects in the Bexar, Lubbock, Tarrant, and Travis County service areas. One of the problems encountered during the implementation of Medicaid managed care was a lack of comprehensive information and training for recipients, who must choose primary care physicians and learn to emphasize preventive care; and providers, who must bill as many as four different entities for reimbursement and obtain preauthorization for many procedures. C.S.S.B. 1163 would require the Texas Department of Health (department) to develop and implement a plan, at least 90 days before the date of implementation in a service area, to provide information and training about the requirements of Medicaid managed care to patients, providers, and any other affected parties. In addition, this legislation requires the department to establish a pilot project to test the effectiveness and cost of peer outreach and health education.

### **PURPOSE**

As proposed, C.S.S.B. 1163 provides for information and training about Medicaid managed care.

### **RULEMAKING AUTHORITY**

This bill does not 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 32.043, as follows:

Sec. 32.043. MANAGED CARE INFORMATION AND TRAINING PLAN. Requires the Texas Department of Health (department), to develop a comprehensive plan to provide information and training about the requirements of a managed care plan to recipients of medical assistance, providers of medical assistance, local health and human services agencies, and other interested parties in each service area in which the department plans to provide medical assistance through a managed care plan. Requires the department to include in the plan 180 days of initial information and training in a service area beginning not later than a certain date, additional information and training at regular intervals determined by the department, and performance measures to evaluate the effectiveness of the information and training. Requires the department to consult with the Medicaid medical care advisory committee in developing the plan. Sets forth the terms by which the department is required to submit a semiannual report on the effectiveness of the comprehensive plan to certain individuals and entities by a set date. Establishes the conditions under which the department, in conjunction with the plan, is required to establish a pilot project to test the effectiveness and cost of peer outreach and health education designed to accomplish certain goals.

SECTION 3. Emergency clause.

Effective date: upon passage.

## **SUMMARY OF COMMITTEE CHANGES**

### **SECTION 1.**

Amends Section 32.043, Human Resources Code, to replace all references to "plan" with "comprehensive plan". Requires the department to include 180 days of initial information and training, and performance measures. Requires the department to consult with the Medicaid medical care advisory committee in developing the plan. Sets forth the terms by which the department is required to submit a report to certain individuals and entities, and is required to establish a pilot project to test the effectiveness and cost of peer outreach and health education.

Deletes former SECTION 2.

### **SECTION 3.**

Changes the effective date from "September 1, 1997" to "upon passage."