

## **BILL ANALYSIS**

Senate Research Center  
78R1045 KKA-D

S.B. 314  
By: Janek  
Health & Human Services  
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As Filed

### **DIGEST AND PURPOSE**

The Texas Department of Health's (TDH) Medical Transportation Program (MTP) provides Medicaid and Children with Special Health Care Needs (CSHCN) clients with non-emergency transportation to and from health care facilities. The Transportation for Indigent Cancer Patients program provides transportation for low-income clients who are not eligible for Medicaid or CSHCN and are diagnosed with cancer or cancer-related illness. In fiscal year 2001, more than 106,000 Texans received transportation services through MTP. The Medical Transportation Program purchases medical transportation through contracts issued and managed by TDH. During fiscal year 2002, TDH contracted with 45 private, public, and non-profit transportation providers with contract amounts ranging from \$5,000 to \$8 million. The experience of other states suggests that Texas could improve quality, accountability, and cost control while reducing instances of fraud if the program contracted with a single statewide broker or a number of regional brokers to manage it. As proposed, S.B. 314 would transfer the Medical Transportation Program from TDH to the Health and Human Services Commission (HHSC) and require HHSC to contract with a single statewide transportation broker or with an appropriate number of regional transportation brokers for administrative assistance in providing transportation services under the Medical Transportation Program.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas Department of Health is transferred to the Health and Human Services Commission in SECTION 2 of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 531B, Government Code, by adding Section 531.063, as follows:

Sec. 531.063. **CONTRACTS FOR TRANSPORTATION BROKERAGE SERVICES.** (a) Requires the Health and Human Services Commission (HHSC) to contract with a single statewide transportation broker or with an appropriate number of regional transportation brokers for an administrative assistance in providing transportation services under the medical transportation program.

(b) Authorizes HHSC to contract under this section with any person who meets the criteria established by HHSC, including a nonprofit organization, public entity, or private contractor.

(c) Requires a contract between HHSC and a broker to require the broker to perform certain functions.

(d) Authorizes the broker or brokers selected by HHSC to contract with transportation providers as necessary to provide transportation services to persons eligible for those services.

SECTION 2. Provides that on September 1, 2004, or on an earlier date specified by HHSC, certain

duties related to the medical transportation program are transferred from the Texas Department of Health to HHSC.

SECTION 3. Requires HHSC to take all necessary action to provide for the transfer of the medical transportation program to HHSC as soon as possible after the effective date of this Act but not later than September 1, 2004, and the execution of a contract authorized by Section 531.063, Government Code, as added by this Act, not later than September 1, 2004.

SECTION 4. Effective date: September 1, 2003.