

## **BILL ANALYSIS**

Senate Research Center

S.B. 866  
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Health & Human Services  
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As Filed

### **DIGEST AND PURPOSE**

Recently, the Bush Administration announced a proposal to make significant changes to the existing Medicaid program. A key proposal made in an effort to provide states more flexibility in the operation of the Medicaid program is an option to receive federal funding in the form of a block grant. This option would fundamentally alter the manner in which Texas' Medicaid program is financed and potentially administered. There is a need for the state to carefully deliberate and review all proposed changes to the Medicaid program. As proposed, S.B. 866 would create an interim Medicaid planning commission to evaluate the federal reforms to the Medicaid program to determine the effectiveness of the state's current health care spending and impact on providing health care benefits to uninsured, low-income individuals.

### **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. CREATION OF INTERIM PLANNING COMMISSION.** (a) Provides that the Medicaid and State Child Health Plan Program Interim Planning Commission (commission) is composed of certain members appointed by the governor, lieutenant governor, and the speaker of the house of representatives.

(b) Requires the lieutenant governor and the speaker of the house of representatives to each appoint a co-presiding officer of the commission from among the members of the commission.

**SECTION 2. DUTIES.** (a) Requires the commission to study the overall effectiveness of the Medicaid and State Child Health Plan programs to evaluate certain criteria.

(b) Requires the commission, in evaluating the option of a federal Medicaid block grant, to perform certain tasks.

**SECTION 3. FUNDING.** Requires amounts reasonably required by the commission to perform its duties under this Act, as well as necessary administrative support, to be provided cooperatively by the office of the governor, the senate, and the house of representatives using existing resources otherwise available to those entities.

**SECTION 4. REPORT.** Requires the commission, not later than November 1, 2004, to deliver a report of its conclusions to the legislature, the governor, and appropriate state agencies with oversight of the Medicaid and State Child Health Plan programs. Requires the report to include certain recommendations.

**SECTION 5. EXPIRATION.** Provides that the commission is abolished September 1, 2005.

**SECTION 6. EFFECTIVE DATE.** Upon passage or September 1, 2003.