BILL ANALYSIS

Senate Research Center 85R10398 KFF-F

S.B. 1554 By: Kolkhorst Health & Human Services 3/23/2017 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The 82nd Legislature, in its first called special session, passed S.B. 7, an omnibus health-related bill. One provision of S.B. 7 established Chapter 537, Government Code, that directed the Health and Human Services Commission (HHSC) to seek a broad 1115 Medicaid demonstration waiver. The bill also established the Joint Medicaid Reform Waiver Legislative Oversight Committee to provide legislative guidance and input for submitting an 1115 waiver demonstration application to the federal government. To date, HHSC has not sought an 1115 waiver per the statutory direction of Chapter 537. In addition, the Medicaid Reform Waiver Legislative Oversight Committee was abolished on September 1, 2013.

Congress is currently considering significant changes to the Medicaid program, including proposing that the program funding be converted into a block grant. Considering the potential for this major change in how the state would receive federal funds for Medicaid, S.B. 1554 reestablishes a joint legislative oversight committee under Chapter 537, Government Code, to monitor and provide guidance to HHSC if Medicaid funding is converted into a block grant by Congress.

As proposed, S.B. 1554 amends current law relating to establishing a Medicaid Block Grant Waiver Legislative Oversight Committee.

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 the heading to Chapter 537, Government Code, to read as follows:

CHAPTER 537. MEDICAID BLOCK GRANT AND REFORM WAIVERS

SECTION 2. Amends Chapter 537, Government Code, by adding Section 537.001, as follows:

Sec. 537.001. MEDICAID BLOCK GRANT WAIVER LEGISLATIVE OVERSIGHT COMMITTEE. (a) Defines "committee" and "Medicaid block grant funding system."

- (b) Provides that, if the federal government authorizes states to opt to receive the federal share of money for the operation of Medicaid through a Medicaid block grant funding system or requires that states receive that money through a Medicaid block grant funding system, the Medicaid Block Grant Waiver Legislative Oversight Committee (committee) is created as provided by this section to facilitate waiver efforts with respect to the system by which Medicaid is funded in this state.
- (c) Provides that the committee is composed of eight members, as follows:
 - (1) four members of the senate, appointed by the lieutenant governor; and

- (2) four members of the house of representatives, appointed by the speaker of the house of representatives (speaker).
- (d) Provides that a member of the committee serves at the pleasure of the appointing official.
- (e) Requires the lieutenant governor and speaker each to designate a co-chair from among the committee members.
- (f) Prohibits a member of the committee from receiving compensation for serving on the committee but provides that a member is entitled to reimbursement for travel expenses incurred by the member while conducting the business of the committee as provided by the General Appropriations Act.
- (g) Requires the committee to:
 - (1) facilitate the design and development of a Medicaid block grant waiver;
 - (2) facilitate a smooth transition from existing Medicaid payment systems and benefit designs to a new model of Medicaid enabled by the waiver described by Subdivision (1) of this subsection;
 - (3) meet at the call of the presiding officer; and
 - (4) research, take public testimony, and issue reports requested by the lieutenant governor or speaker.
- (h) Authorizes the committee to request reports and other information from the Texas Health and Human Services Commission.
- (i) Requires the committee to use existing staff of the senate, the house of representatives, and the Texas Legislative Council to assist the committee in performing its duties under this section.
- (j) Provides that Chapter 551 (Open Meetings) applies to the committee.

SECTION 3. Effective date: upon passage or September 1, 2017.