## **BILL ANALYSIS**

Senate Research Center

S.B. 547 By: Kolkhorst Health & Human Services 5/31/2017 Enrolled

## **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Currently, state supported living centers (SSLCs) have the authority to provide services to people in the community, including medical, behavioral health, dental, and other specialized services. The Sunset Advisory Commission's 2015 report on the Department of Aging and Disability Services (DADS) found that SSLCs could be better utilized as a provider of services and recommended that DADS set up a fee schedule for that purpose.

- S.B. 547 requires the executive commissioner of the Health and Human Services Commission (HHSC), by rule, to establish, maintain, and modify a fee schedule of services SSLCs may provide to individuals in the community. (Original Author's / Sponsor's Statement of Intent)
- S.B. 547 amends current law relating to the provision of services and resources to certain individuals by a state supported living center and to the creation of a schedule of support services a state supported living center may provide and procedures for establishing applicable fees for those services.

## **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 1 (Section 161.080, Human Resources Code) of this bill.

## **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 161.080, Human Resources Code, by amending Subsection (b) and adding Subsections (c), (d), and (e), as follows:

- (b) Authorizes a state supported living center (SSLC), notwithstanding any other law, to provide nonresidential services to support an individual if the provision of services to the individual does not interfere with the provision of services to a resident of the SSLC. Deletes existing text authorizing an SSLC to provide nonresidential services to an individual if the individual meets certain conditions.
- (c) Requires the executive commissioner of the Health and Human Services Commission (executive commissioner; HHSC) by rule to establish a list of services an SSLC may provide under a contract described by Subsection (a) (relating to contracts to provide services to individuals with developmental disabilities) and establish procedures for HHSC to create, maintain, and amend as needed a schedule of fees that an SSLC may charge for a service included in the list.
- (d) Requires HHSC, in creating a schedule of fees, to use the reimbursement rate for the applicable service under the Medicaid program or modify that rate with a written justification and after holding a public hearing on the issue of the modification.
- (e) Authorizes an SSLC, based on negotiations between the SSLC and a managed care organization, as defined by Section 533.001 (Definitions), Government Code, and notwithstanding Subsection (c), to charge a fee for a service other than the fee provided by the schedule of fees created by HHSC under this section.

SECTION 2. Requires the executive commissioner, not later than September 1, 2018, to adopt the rules listing services an SSLC is authorized to provide under a contract and the procedures for HHSC to create the fee schedule for those services, as required by Section 161.080, Human Resources Code, as amended by this Act.

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