Chapter 519

S.B. No. 74

AN ACT
relating to the provision of certain behavioral health services to
children, adolescents, and their families under a contract with a
managed care organization.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter A, Chapter 533, Government Code, is
amended by adding Sections 533.002552 and 533.002553 to read as
follows:

Sec. 533.002552. TARGETED CASE MANAGEMENT AND PSYCHIATRIC
REHABILITATIVE SERVICES FOR CHILDREN, ADOLESCENTS, AND FAMILIES.
(a) A provider in the provider network of a managed care
organization that contracts with the commission to provide
behavioral health services under Section 533.00255 may contract
with the managed care organization to provide targeted case
management and psychiatric rehabilitative services to children,
adolescents, and their families.

(b) Commission rules and guidelines concerning contract and
training requirements applicable to the provision of behavioral
health services may apply to a provider that contracts with a
managed care organization under Subsection (a) only to the extent
those contract and training requirements are specific to the
provision of targeted case management and psychiatric
rehabilitative services to children, adolescents, and their
families.
(c) Commission rules and guidelines applicable to a provider that contracts with a managed care organization under Subsection (a) may not require the provider to provide a behavioral health crisis hotline or a mobile crisis team that operates 24 hours per day and seven days per week. This subsection does not prohibit a managed care organization that contracts with the commission to provide behavioral health services under Section 533.00255 from specifically contracting with a provider for the provision of a behavioral health crisis hotline or a mobile crisis team that operates 24 hours per day and seven days per week.

(d) Commission rules and guidelines applicable to a provider that contracts with a managed care organization to provide targeted case management and psychiatric rehabilitative services specific to children and adolescents who are at risk of juvenile justice involvement, expulsion from school, displacement from the home, hospitalization, residential treatment, or serious injury to self, others, or animals may not require the provider to also provide less intensive psychiatric rehabilitative services specified by commission rules and guidelines as applicable to the provision of targeted case management and psychiatric rehabilitative services to children, adolescents, and their families, if that provider has a referral arrangement to provide access to those less intensive psychiatric rehabilitative services.

(e) Commission rules and guidelines applicable to a provider that contracts with a managed care organization under Subsection (a) may not require the provider to provide services not
Sec. 533.002553. BEHAVIORAL HEALTH SERVICES PROVIDED THROUGH THIRD PARTY OR SUBSIDIARY. (a) In this section, "behavioral health services" has the meaning assigned by Section 533.00255.

(b) For a managed care organization that contracts with the commission under this chapter and that provides behavioral health services through a contract with a third party or an arrangement with a subsidiary of the managed care organization, the commission shall:

(1) require the effective sharing and integration of care coordination, service authorization, and utilization management data between the managed care organization and the third party or subsidiary;

(2) encourage, to the extent feasible, the colocation of physical health and behavioral health care coordination staff;

(3) require warm call transfers between physical health and behavioral health care coordination staff;

(4) require the managed care organization and the third party or subsidiary to implement joint rounds for physical health and behavioral health services network providers or some other effective means for sharing clinical information; and

(5) ensure that the managed care organization makes available a seamless provider portal for both physical health and behavioral health services network providers, to the extent allowed by federal law.

SECTION 2. Not later than January 1, 2018, the executive
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commissioner of the Health and Human Services Commission shall
adopt rules and guidelines or amend existing rules and guidelines
as necessary to comply with the requirements of Section 533.002552,
Government Code, as added by this Act.

SECTION 3. If before implementing any provision of this Act
a state agency determines that a waiver or authorization from a
federal agency is necessary for implementation of that provision,
the agency affected by the provision shall request the waiver or
authorization and may delay implementing that provision until the
waiver or authorization is granted.

SECTION 4. This Act takes effect immediately if it receives
a vote of two-thirds of all the members elected to each house, as
provided by Section 39, Article III, Texas Constitution. If this
Act does not receive the vote necessary for immediate effect, this
Act takes effect September 1, 2017.
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I hereby certify that S.B. No. 74 passed the Senate on April 3, 2017, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 22, 2017, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 74 passed the House, with amendment, on May 17, 2017, by the following vote: Yeas 140, Nays 2, two present not voting.

Chief Clerk of the House

Approved:

6 - 7 - 2017

Date

Governor
TO: Honorable Dan Patrick, Lieutenant Governor, Senate

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB74 by Nelson (Relating to the provision of certain behavioral health services to children, adolescents, and their families under a contract with a managed care organization.), As Passed 2nd House

| No significant fiscal implication to the State is anticipated. |

The bill would allow certain behavioral health providers to provide Targeted Case Management (TCM) and psychiatric rehabilitation services to children, adolescents, and families through Medicaid managed care organizations (MCOs). The bill would restrict application of certain Health and Human Services Commission (HHSC) rules and guidelines. The executive commissioner of HHSC would be required to adopt or amend any rules or guidelines by January 1, 2018.

The bill would require HHSC to do the following with regard to MCOs that provide behavioral health services through a third party or a subsidiary. (1) require sharing and integration of certain data between the MCO and the third party or subsidiary, (2) encourage the colocatation of physical health and behavioral health care coordination staff, (3) require warm call transfers between physical health and behavioral health care coordination staff, (4) require the implementation of joint rounds for physical health and behavioral health services providers or some other means for sharing clinical information, and (5) ensure the availability of a seamless provider portal for both physical health and behavioral health services providers, to the extent allowed by federal law.

The bill would take effect immediately upon a two-thirds vote from all members of each house or, if such a vote is not received, on September 1, 2017.

According to HHSC, the provisions of the bill related to TCM and psychiatric rehabilitation services, do not require any change from current practice and any cost associated with adopting or amending rules can be absorbed within existing resources.

According to HHSC, the provisions of the bill related to MCOs that provide behavioral health services through a third party or subsidiary, could be implemented within existing resources. However, HHSC has the authority to set rates, including establishing MCO premiums, and if they were to adjust premiums as a result of the provisions of the bill there could be a cost to the state.

Local Government Impact

No fiscal implication to units of local government is anticipated.
Source Agencies: 529 Health and Human Services Commission
LBB Staff: UP, KCA, LR, RGU
TO: Honorable Four Price, Chair, House Committee on Public Health

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB74 by Nelson (Relating to the provision of certain behavioral health services to children, adolescents, and their families under a contract with a managed care organization.), As Engrossed

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The bill would take effect immediately upon a two-thirds vote from all members of each house or, if such a vote is not received, on September 1, 2017.

According to HHSC, the bill does not require any change from current practice and any cost associated with adopting or amending rules can be absorbed within existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: UP, KCA, LR, RGU
TO: Honorable Charles Schwertner, Chair, Senate Committee on Health & Human Services

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB74 by Nelson (Relating to the provision of certain behavioral health services to children, adolescents, and their families under a contract with a managed care organization.), As Introduced

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According to HHSC, the bill does not require any change from current practice and any cost associated with adopting or amending rules can be absorbed within existing resources.

Local Government Impact

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Source Agencies: 529 Health and Human Services Commission
LBB Staff: UP, KCA, LR, RGU