

1-1 By: Nelson, et al. S.B. No. 200
 1-2 (In the Senate - Filed March 4, 2015; March 4, 2015, read
 1-3 first time and referred to Committee on Health and Human Services;
 1-4 April 7, 2015, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 8, Nays 0; April 7, 2015,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17			X	

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 200 By: Schwertner

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the continuation and functions of the Health and Human
 1-22 Services Commission and the provision of health and human services
 1-23 in this state.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 ARTICLE 1. CONSOLIDATION OF HEALTH AND HUMAN SERVICES SYSTEM

1-26 SECTION 1.01. (a) Chapter 531, Government Code, is amended
 1-27 by adding Subchapter A-1 to read as follows:

1-28 SUBCHAPTER A-1. CONSOLIDATION OF HEALTH AND HUMAN SERVICES SYSTEM

1-29 Sec. 531.02001. CONSOLIDATION OF HEALTH AND HUMAN SERVICES
 1-30 SYSTEM GENERALLY. In accordance with this subchapter, the

1-31 functions of each state agency and entity subject to abolition
 1-32 under Section 531.0202 are consolidated in the commission through a
 1-33 two-phase transfer of those functions under which:

1-34 (1) the initial transfers required under Section
 1-35 531.0201 occur:

1-36 (A) on or after September 1, 2015; and

1-37 (B) not later than September 1, 2016; and

1-38 (2) the final transfers required under Section
 1-39 531.02011 occur:

1-40 (A) on or after September 1, 2018; and

1-41 (B) not later than September 1, 2019.

1-42 Sec. 531.02002. MEANING OF FUNCTION IN RELATION TO
 1-43 TRANSFERS. For purposes of the transfers mandated by this
 1-44 subchapter, "function" includes a power, duty, program, or activity
 1-45 of a state agency or entity.

1-46 Sec. 531.0201. PHASE ONE: INITIAL TRANSFERS TO COMMISSION.

1-47 On the dates specified in the transition plan required under
 1-48 Section 531.0204, the functions of each state agency or entity
 1-49 subject to abolition under Section 531.0202, other than the
 1-50 functions that will be transferred under Section 531.02011, are
 1-51 transferred to the commission as provided by this subchapter.

1-52 Sec. 531.02011. PHASE TWO: FINAL TRANSFERS TO COMMISSION.

1-53 On the dates specified in the transition plan required under
 1-54 Section 531.0204, the following functions are transferred to the
 1-55 commission as provided by this subchapter:

1-56 (1) the functions of the Department of Family and
 1-57 Protective Services related to the following:

1-58 (A) child protective services, including
 1-59 services that are required by federal law to be provided by this
 1-60 state's child welfare agency; and

2-1 (B) adult protective services, other than
2-2 investigations of the alleged abuse, neglect, or exploitation of an
2-3 elderly person or person with a disability:

2-4 (i) in a facility operated or in a facility
2-5 or by a person licensed, certified, or registered by a state agency;
2-6 or

2-7 (ii) by a provider that has contracted to
2-8 provide home and community-based services; and

2-9 (2) the public health functions of the Department of
2-10 State Health Services, including health care data collection and
2-11 maintenance of the Texas Health Care Information Collection
2-12 program.

2-13 Sec. 531.02012. RELATED TRANSFERS; EFFECT OF
2-14 CONSOLIDATION. (a) All of the following that relate to a function
2-15 that is transferred under Section 531.0201 or 531.02011 are
2-16 transferred to the commission on the date the related function is
2-17 transferred as specified in the transition plan required under
2-18 Section 531.0204:

2-19 (1) all obligations and contracts;

2-20 (2) all property and records in the custody of the
2-21 state agency or entity from which the function is transferred;

2-22 (3) all funds appropriated by the legislature; and

2-23 (4) all complaints, investigations, or contested
2-24 cases that are pending before the state agency or entity from which
2-25 the function is transferred or a governing person or entity of the
2-26 state agency or entity, without change in status.

2-27 (b) A rule, policy, or form adopted by or on behalf of a
2-28 state agency or entity subject to abolition under Section 531.0202
2-29 that relates to a function that is transferred under Section
2-30 531.0201 or 531.02011 becomes a rule, policy, or form of the
2-31 commission upon transfer of the related function and remains in
2-32 effect:

2-33 (1) until altered by the commission; or

2-34 (2) unless it conflicts with a rule, policy, or form of
2-35 the commission.

2-36 (c) A license, permit, or certification in effect that was
2-37 issued by a state agency or entity subject to abolition under
2-38 Section 531.0202 is continued in effect as a license, permit, or
2-39 certification of the commission upon transfer of the function to
2-40 which the license, permit, or certification relates until the
2-41 license, permit, or certification expires, is suspended or revoked,
2-42 or otherwise becomes invalid.

2-43 Sec. 531.0202. ABOLITION OF STATE AGENCIES AND ENTITIES.

2-44 (a) Each of the following state agencies and entities is abolished
2-45 on a date that is within the period prescribed by Section
2-46 531.02001(1), that is specified in the transition plan required
2-47 under Section 531.0204 for the abolition of the state agency or
2-48 entity, and that occurs after all of the state agency's or entity's
2-49 functions have been transferred to the commission in accordance
2-50 with Section 531.0201:

2-51 (1) the Department of Aging and Disability Services;

2-52 (2) the Department of Assistive and Rehabilitative
2-53 Services;

2-54 (3) the Health and Human Services Council;

2-55 (4) the Aging and Disability Services Council;

2-56 (5) the Assistive and Rehabilitative Services
2-57 Council;

2-58 (6) the Family and Protective Services Council;

2-59 (7) the State Health Services Council;

2-60 (8) the Office for the Prevention of Developmental
2-61 Disabilities; and

2-62 (9) the Texas Council on Autism and Pervasive
2-63 Developmental Disorders.

2-64 (b) Each of the following state agencies is abolished on a
2-65 date that is within the period prescribed by Section 531.02001(2),
2-66 that is specified in the transition plan required under Section
2-67 531.0204 for the abolition of the state agency or entity, and that
2-68 occurs after all of the state agency's or entity's functions have
2-69 been transferred to the commission in accordance with Sections

3-1 531.0201 and 531.02011:

3-2 (1) the Department of Family and Protective Services;
3-3 and

3-4 (2) the Department of State Health Services.

3-5 (c) The abolition of a state agency or entity listed in
3-6 Subsection (a) or (b) and the transfer of its functions and related
3-7 obligations, rights, contracts, records, property, and funds to the
3-8 commission as provided by this subchapter do not affect or impair an
3-9 act done, any obligation, right, order, permit, certificate, rule,
3-10 criterion, standard, or requirement existing, or any penalty
3-11 accrued under former law, and that law remains in effect for any
3-12 action concerning those matters.

3-13 Sec. 531.0203. HEALTH AND HUMAN SERVICES TRANSITION
3-14 LEGISLATIVE OVERSIGHT COMMITTEE. (a) In this section,
3-15 "committee" means the Health and Human Services Transition
3-16 Legislative Oversight Committee established under this section.

3-17 (b) The Health and Human Services Transition Legislative
3-18 Oversight Committee is created to facilitate the transfer of
3-19 functions from the state agencies and entities subject to abolition
3-20 under Section 531.0202 to the commission as provided by this
3-21 subchapter with a minimal negative effect on the delivery of
3-22 services provided by those state agencies and entities.

3-23 (c) The committee is composed of 11 voting members, as
3-24 follows:

3-25 (1) four members of the senate, appointed by the
3-26 lieutenant governor;

3-27 (2) four members of the house of representatives,
3-28 appointed by the speaker of the house of representatives; and

3-29 (3) three members of the public, appointed by the
3-30 governor.

3-31 (d) The executive commissioner serves as an ex officio,
3-32 nonvoting member of the committee.

3-33 (e) A member of the committee serves at the pleasure of the
3-34 appointing official.

3-35 (f) The lieutenant governor and the speaker of the house of
3-36 representatives shall each designate a presiding co-chair from
3-37 among their respective appointments.

3-38 (g) A member of the committee may not receive compensation
3-39 for serving on the committee but is entitled to reimbursement for
3-40 travel expenses incurred by the member while conducting the
3-41 business of the committee as provided by the General Appropriations
3-42 Act.

3-43 (h) The committee shall:

3-44 (1) facilitate the transfer of functions from the
3-45 state agencies and entities subject to abolition under Section
3-46 531.0202 to the commission as provided by this subchapter with a
3-47 minimal negative effect on the delivery of services provided by
3-48 those agencies and entities;

3-49 (2) with assistance from the commission and the state
3-50 agencies and entities subject to abolition under Section 531.0202,
3-51 advise the executive commissioner concerning:

3-52 (A) the functions to be transferred under this
3-53 subchapter and the funds and obligations that are related to the
3-54 functions;

3-55 (B) the transfer of the functions and related
3-56 records, property, funds, and obligations by the state agencies and
3-57 entities as provided by this subchapter; and

3-58 (C) the reorganization of the commission's
3-59 administrative structure in accordance with this subchapter,
3-60 Sections 531.0055, 531.00561, 531.00562, and 531.008, and other
3-61 provisions enacted by the 84th Legislature that become law; and

3-62 (3) meet:

3-63 (A) during the period between the establishment
3-64 of the committee and December 31, 2016, at least quarterly at the
3-65 call of either chair, in addition to meeting at other times as
3-66 determined appropriate by either chair;

3-67 (B) during the period between January 1, 2017,
3-68 and December 31, 2019, at least semiannually at the call of either
3-69 chair, in addition to meeting at other times as determined

4-1 appropriate by either chair; and
 4-2 (C) during the period between January 1, 2020,
 4-3 and August 31, 2023, at least annually at the call of either chair,
 4-4 in addition to meeting at other times as determined appropriate by
 4-5 either chair.

4-6 (i) Chapter 551 applies to the committee.

4-7 (j) The committee shall submit a report to the governor,
 4-8 lieutenant governor, and speaker of the house of representatives
 4-9 not later than December 1 of each even-numbered year. The report
 4-10 must include an update on the progress of and issues related to:

4-11 (1) the transfer of functions from the state agencies
 4-12 and entities subject to abolition under Section 531.0202 to the
 4-13 commission as provided by this subchapter; and

4-14 (2) the reorganization of the commission's
 4-15 administrative structure in accordance with this subchapter,
 4-16 Sections 531.0055, 531.00561, 531.00562, and 531.008, and other
 4-17 provisions enacted by the 84th Legislature that become law.

4-18 (k) The committee is abolished September 1, 2023.

4-19 Sec. 531.0204. TRANSITION AND WORK PLAN FOR IMPLEMENTATION
 4-20 OF CONSOLIDATION. (a) The transfers of functions under Sections
 4-21 531.0201 and 531.02011 to the commission must be accomplished in
 4-22 accordance with a transition plan developed by the executive
 4-23 commissioner. The transition plan must:

4-24 (1) include an outline of the commission's reorganized
 4-25 structure, including its divisions, in accordance with this
 4-26 subchapter, Sections 531.00561, 531.00562, and 531.008, and other
 4-27 provisions enacted by the 84th Legislature that become law; and

4-28 (2) include a broad plan and schedule that, subject to
 4-29 the periods prescribed by Section 531.02001, specify the dates on
 4-30 which:

4-31 (A) the transfers under Sections 531.0201 and
 4-32 531.02011 are to be made;

4-33 (B) each state agency or entity subject to
 4-34 abolition under Section 531.0202 is abolished; and

4-35 (C) each division of the commission is created
 4-36 and the division's director is appointed.

4-37 (b) In developing the transition plan, the executive
 4-38 commissioner shall hold public hearings in various geographic areas
 4-39 in this state before submitting the plan to the Health and Human
 4-40 Services Transition Legislative Oversight Committee, the governor,
 4-41 and the Legislative Budget Board as required by Subsection (d).

4-42 (c) Within the periods prescribed by Section 531.02001, the
 4-43 commission shall begin administering the respective functions
 4-44 assigned to the commission under Sections 531.0201 and 531.02011,
 4-45 as applicable. The assumption of the administration of the
 4-46 functions must be accomplished in accordance with a detailed work
 4-47 plan designed by the commission to ensure that the transfer and
 4-48 provision of health and human services in this state are
 4-49 accomplished in a careful and deliberative manner. The work plan
 4-50 must include details regarding the movement and specific timelines
 4-51 for the transfer of functions performed by the state agencies and
 4-52 entities subject to abolition under Section 531.0202 to the
 4-53 commission under this subchapter.

4-54 (d) The executive commissioner shall submit the transition
 4-55 plan and the work plan to the Health and Human Services Transition
 4-56 Legislative Oversight Committee, the governor, and the Legislative
 4-57 Budget Board not later than December 1, 2015. The committee shall
 4-58 comment on and make recommendations to the executive commissioner
 4-59 regarding any concerns or adjustments to the transition plan the
 4-60 committee determines appropriate. The executive commissioner may
 4-61 not finalize any transition or work plan until the executive
 4-62 commissioner has reviewed and considered the comments and
 4-63 recommendations of the committee regarding the transition plan.

4-64 (e) The executive commissioner shall publish in the Texas
 4-65 Register:

4-66 (1) the transition plan developed under this section;

4-67 (2) any adjustments to the transition plan recommended
 4-68 by the Health and Human Services Transition Legislative Oversight
 4-69 Committee;

5-1 (3) whether the executive commissioner adopted or
5-2 otherwise incorporated the recommended adjustments; and

5-3 (4) if the executive commissioner did not adopt a
5-4 recommended adjustment, the justification for not adopting the
5-5 adjustment.

5-6 Sec. 531.0205. APPLICABILITY OF FORMER LAW. An action
5-7 brought or proceeding commenced before the date of a transfer
5-8 prescribed by this subchapter in accordance with the transition
5-9 plan required under Section 531.0204, including a contested case or
5-10 a remand of an action or proceeding by a reviewing court, is
5-11 governed by the laws and rules applicable to the action or
5-12 proceeding before the transfer.

5-13 Sec. 531.0206. LIMITED-SCOPE SUNSET REVIEW. (a) The
5-14 Sunset Advisory Commission shall conduct a limited-scope review of
5-15 the commission during the state fiscal biennium ending August 31,
5-16 2023, in the manner provided by Chapter 325 (Texas Sunset Act). The
5-17 review must provide:

5-18 (1) an update on the commission's progress with
5-19 respect to the consolidation of the health and human services
5-20 system mandated by this subchapter, including the commission's
5-21 compliance with the transition and work plans required under
5-22 Section 531.0204; and

5-23 (2) any additional information the Sunset Advisory
5-24 Commission determines appropriate, including information regarding
5-25 any additional organizational changes the Sunset Advisory
5-26 Commission recommends.

5-27 (b) The commission is not abolished solely because the
5-28 commission is not explicitly continued following the review
5-29 required by this section.

5-30 Sec. 531.0207. EXPIRATION OF SUBCHAPTER. This subchapter
5-31 expires September 1, 2023.

5-32 (b) Not later than October 1, 2015:

5-33 (1) the lieutenant governor, the speaker of the house
5-34 of representatives, and the governor shall make the appointments to
5-35 the Health and Human Services Transition Legislative Oversight
5-36 Committee as required by Section 531.0203(c), Government Code, as
5-37 added by this article; and

5-38 (2) the lieutenant governor and the speaker of the
5-39 house of representatives shall each designate a presiding co-chair
5-40 of the Health and Human Services Transition Legislative Oversight
5-41 Committee in accordance with Section 531.0203(f), Government Code,
5-42 as added by this article.

5-43 (c) As soon as appropriate under the consolidation under
5-44 Subchapter A-1, Chapter 531, Government Code, as added by this
5-45 article, and in a manner that minimizes disruption of services, the
5-46 Health and Human Services Commission shall take appropriate action
5-47 to be designated as the state agency responsible under federal law
5-48 for any state or federal program for which federal law requires the
5-49 designation of a responsible state agency and for which an agency
5-50 subject to abolition under Section 531.0202, Government Code, as
5-51 added by this article, is responsible.

5-52 (d) Notwithstanding Section 531.0201, Government Code, as
5-53 added by this article, a power, duty, program, function, or
5-54 activity of the Department of Assistive and Rehabilitative Services
5-55 may not be transferred to the Health and Human Services Commission
5-56 under that section if:

5-57 (1) H.B. No. 3294 or S.B. No. 208, 84th Legislature,
5-58 Regular Session, 2015, or similar legislation of the 84th
5-59 Legislature, Regular Session, 2015, is enacted, becomes law, and
5-60 provides for the transfer of the power, duty, program, function, or
5-61 activity to the Texas Workforce Commission subject to receipt of
5-62 any necessary federal approval or other authorization for the
5-63 transfer to occur; and

5-64 (2) the Department of Assistive and Rehabilitative
5-65 Services or the Texas Workforce Commission receives the necessary
5-66 federal approval or other authorization to enable the transfer to
5-67 occur not later than September 1, 2016.

5-68 (e) If neither the Department of Assistive and
5-69 Rehabilitative Services nor the Texas Workforce Commission

6-1 receives the federal approval or other authorization described by
6-2 Subsection (d) of this section to enable the transfer of the power,
6-3 duty, program, function, or activity to the Texas Workforce
6-4 Commission to occur not later than September 1, 2016, as provided by
6-5 the legislation described by Subsection (d) of this section, the
6-6 power, duty, program, function, or activity of the Department of
6-7 Assistive and Rehabilitative Services transfers to the Health and
6-8 Human Services Commission in accordance with Section 531.0201,
6-9 Government Code, as added by this article, and the transition plan
6-10 required under Section 531.0204, Government Code, as added by this
6-11 article.

6-12 SECTION 1.02. Subchapter A, Chapter 531, Government Code,
6-13 is amended by adding Sections 531.0011 and 531.0012 to read as
6-14 follows:

6-15 Sec. 531.0011. REFERENCES IN LAW MEANING COMMISSION OR
6-16 APPROPRIATE DIVISION. (a) In this code or in any other law, a
6-17 reference to any of the following state agencies or entities in
6-18 relation to a function transferred under Section 531.0201 or
6-19 531.02011, as applicable, means the commission or the division of
6-20 the commission performing the function previously performed by the
6-21 state agency or entity before the transfer, as appropriate:

- 6-22 (1) health and human services agency;
- 6-23 (2) the Department of State Health Services;
- 6-24 (3) the Department of Aging and Disability Services;
- 6-25 (4) the Department of Family and Protective Services;

6-26 or

- 6-27 (5) the Department of Assistive and Rehabilitative

6-28 Services.

6-29 (b) In this code or in any other law and notwithstanding any
6-30 other law, a reference to any of the following state agencies or
6-31 entities in relation to a function transferred under Section
6-32 531.0201 or 531.02011, as applicable, from the state agency that
6-33 assumed the relevant function in accordance with Chapter 198 (H.B.
6-34 2292), Acts of the 78th Legislature, Regular Session, 2003, means
6-35 the commission or the division of the commission performing the
6-36 function previously performed by the agency that assumed the
6-37 function before the transfer, as appropriate:

- 6-38 (1) the Texas Department on Aging;
- 6-39 (2) the Texas Commission on Alcohol and Drug Abuse;
- 6-40 (3) the Texas Commission for the Blind;
- 6-41 (4) the Texas Commission for the Deaf and Hard of

6-42 Hearing;

- 6-43 (5) the Texas Department of Health;
- 6-44 (6) the Texas Department of Human Services;
- 6-45 (7) the Texas Department of Mental Health and Mental

6-46 Retardation;

- 6-47 (8) the Texas Rehabilitation Commission;
- 6-48 (9) the Texas Health Care Information Council; or
- 6-49 (10) the Interagency Council on Early Childhood

6-50 Intervention.

6-51 (c) In this code or in any other law and notwithstanding any
6-52 other law, a reference to the Department of Protective and
6-53 Regulatory Services in relation to a function transferred under
6-54 Section 531.0201 or 531.02011, as applicable, from the Department
6-55 of Family and Protective Services means the commission or the
6-56 division of the commission performing the function previously
6-57 performed by the Department of Family and Protective Services
6-58 before the transfer.

6-59 (d) This section applies notwithstanding Section
6-60 531.001(4). This subsection and Section 531.001(4) expire on the
6-61 last day of the period prescribed by Section 531.02001(2).

6-62 Sec. 531.0012. REFERENCES IN LAW MEANING EXECUTIVE
6-63 COMMISSIONER OR DESIGNEE. (a) In this code or in any other law, a
6-64 reference to any of the following persons in relation to a function
6-65 transferred under Section 531.0201 or 531.02011, as applicable,
6-66 means the executive commissioner, the executive commissioner's
6-67 designee, or the director appointed under Section 531.00561 of the
6-68 division of the commission performing the function previously
6-69 performed by the state agency from which it was transferred and that

7-1 the person represented, as appropriate:

7-2 (1) the commissioner of aging and disability services;

7-3 (2) the commissioner of assistive and rehabilitative

7-4 services;

7-5 (3) the commissioner of state health services; or

7-6 (4) the commissioner of the Department of Family and

7-7 Protective Services.

7-8 (b) In this code or in any other law and notwithstanding any
 7-9 other law, a reference to any of the following persons or entities
 7-10 in relation to a function transferred under Section 531.0201 or
 7-11 531.02011, as applicable, from the state agency that assumed or
 7-12 continued to perform the function in accordance with Chapter 198
 7-13 (H.B. 2292), Acts of the 78th Legislature, Regular Session, 2003,
 7-14 means the executive commissioner or the director appointed under
 7-15 Section 531.00561 of the division of the commission performing the
 7-16 function performed before the enactment of Chapter 198 (H.B. 2292)
 7-17 by the state agency that was abolished or renamed by Chapter 198
 7-18 (H.B. 2292) and that the person or entity represented:

7-19 (1) an executive director or other chief
 7-20 administrative officer of a state agency listed in Section
 7-21 531.0011(b) or of the Department of Protective and Regulatory
 7-22 Services; or

7-23 (2) the governing body of a state agency listed in
 7-24 Section 531.0011(b) or of the Department of Protective and
 7-25 Regulatory Services.

7-26 (c) A reference to any of the following councils means the
 7-27 executive commissioner or the executive commissioner's designee,
 7-28 as appropriate, and a function of any of the following councils is a
 7-29 function of that appropriate person:

7-30 (1) the Health and Human Services Council;

7-31 (2) the State Health Services Council;

7-32 (3) the Aging and Disability Services Council;

7-33 (4) the Family and Protective Services Council; or

7-34 (5) the Assistive and Rehabilitative Services
 7-35 Council.

7-36 SECTION 1.03. (a) Subchapter A, Chapter 531, Government
 7-37 Code, is amended by adding Section 531.0051 to read as follows:

7-38 Sec. 531.0051. HEALTH AND HUMAN SERVICES COMMISSION
 7-39 EXECUTIVE COUNCIL. (a) The Health and Human Services Commission

7-40 Executive Council is established to receive public input and advise
 7-41 the executive commissioner regarding the operation of the
 7-42 commission. The council shall seek and receive public comment on:

7-43 (1) proposed rules;

7-44 (2) recommendations of advisory committees;

7-45 (3) legislative appropriations requests or other
 7-46 documents related to the appropriations process;

7-47 (4) the operation of health and human services
 7-48 programs; and

7-49 (5) other items the executive commissioner determines
 7-50 appropriate.

7-51 (a-1) The council shall also receive public input and advise
 7-52 the executive commissioner regarding the operation of the health
 7-53 and human services agencies. This subsection expires on the last
 7-54 day of the period prescribed by Section 531.02001(2).

7-55 (b) The council does not have authority to make
 7-56 administrative or policy decisions.

7-57 (c) The council is composed of:

7-58 (1) the executive commissioner;

7-59 (2) the director of each division established by the
 7-60 executive commissioner under Section 531.008(c); and

7-61 (3) other individuals appointed by the executive
 7-62 commissioner as the executive commissioner determines necessary.

7-63 (d) The executive commissioner serves as the chair of the
 7-64 council and shall adopt rules for the operation of the council.

7-65 (e) Members of the council appointed under Subsection
 7-66 (c)(3) serve at the pleasure of the executive commissioner.

7-67 (f) The council shall meet at the call of the executive
 7-68 commissioner at least quarterly. The executive commissioner may
 7-69 call additional meetings as the executive commissioner determines

8-1 necessary.
8-2 (g) The council shall give public notice of the date, time,
8-3 and place of each meeting held by the council. A live video
8-4 transmission of each meeting must be publicly available through the
8-5 Internet.
8-6 (h) A majority of the members of the council constitute a
8-7 quorum for the transaction of business.
8-8 (i) A council member appointed under Subsection (c)(3) may
8-9 not receive compensation for service as a member of the council but
8-10 is entitled to reimbursement for travel expenses incurred by the
8-11 member while conducting the business of the council as provided by
8-12 the General Appropriations Act.
8-13 (j) The executive commissioner shall develop and implement
8-14 policies that provide the public with a reasonable opportunity to
8-15 appear before the council and to speak on any issue under the
8-16 jurisdiction of the commission.
8-17 (k) A meeting of individual members of the council that
8-18 occurs in the ordinary course of commission operation is not a
8-19 meeting of the council, and the requirements of Subsection (g) do
8-20 not apply.
8-21 (l) This section does not limit the authority of the
8-22 executive commissioner to establish additional advisory committees
8-23 or councils.
8-24 (m) Chapters 551 and 2110 do not apply to the council.
8-25 (b) As soon as possible after the executive commissioner of
8-26 the Health and Human Services Commission appoints division
8-27 directors in accordance with Section 531.00561, Government Code, as
8-28 added by this article, the Health and Human Services Commission
8-29 Executive Council established under Section 531.0051, Government
8-30 Code, as added by this article, shall begin operation.
8-31 SECTION 1.04. The heading to Section 531.0055, Government
8-32 Code, is amended to read as follows:
8-33 Sec. 531.0055. EXECUTIVE COMMISSIONER: GENERAL
8-34 RESPONSIBILITY FOR HEALTH AND HUMAN SERVICES SYSTEM ~~[AGENCIES]~~.
8-35 SECTION 1.05. Section 531.0055, Government Code, is amended
8-36 by amending Subsection (b), as amended by S.B. 219, Acts of the 84th
8-37 Legislature, Regular Session, 2015, amending Subsections (d), (e),
8-38 (f), (g), (h), and (l), and adding Subsection (n) to read as
8-39 follows:
8-40 (b) The commission shall:
8-41 (1) supervise the administration and operation of
8-42 Medicaid, including the administration and operation of the
8-43 Medicaid managed care system in accordance with Section 531.021;
8-44 (2) perform information systems planning and
8-45 management for the health and human services system ~~[agencies]~~
8-46 under Section 531.0273, with:
8-47 (A) the provision of information technology
8-48 services for the ~~[at]~~ health and human services system ~~[agencies]~~
8-49 considered to be a centralized administrative support service
8-50 either performed by commission personnel or performed under a
8-51 contract with the commission; and
8-52 (B) an emphasis on research and implementation on
8-53 a demonstration or pilot basis of appropriate and efficient uses of
8-54 new and existing technology to improve the operation of the health
8-55 and human services system ~~[agencies]~~ and delivery of health and
8-56 human services;
8-57 (3) monitor and ensure the effective use of all
8-58 federal funds received for the ~~[by a]~~ health and human services
8-59 system ~~[agency]~~ in accordance with Section 531.028 and the General
8-60 Appropriations Act;
8-61 (4) implement Texas Integrated Enrollment Services as
8-62 required by Subchapter F, except that notwithstanding Subchapter F,
8-63 determining eligibility for benefits under the following programs
8-64 is the responsibility of and must be centralized by the commission:
8-65 (A) the child health plan program;
8-66 (B) the financial assistance program under
8-67 Chapter 31, Human Resources Code;
8-68 (C) Medicaid;
8-69 (D) the supplemental nutrition assistance

9-1 program under Chapter 33, Human Resources Code;
9-2 (E) long-term care services, as defined by
9-3 Section 22.0011, Human Resources Code;
9-4 (F) community-based support services identified
9-5 or provided in accordance with Section 531.02481; and
9-6 (G) other health and human services programs, as
9-7 appropriate; and
9-8 (5) implement programs intended to prevent family
9-9 violence and provide services to victims of family violence.

9-10 (d) After implementation of the commission's duties under
9-11 Subsections (b) and (c), the commission shall implement the powers
9-12 and duties given to the commission under Section 531.0248. Nothing
9-13 in the priorities established by this section is intended to limit
9-14 the authority of the commission to work simultaneously to achieve
9-15 the multiple tasks assigned to the commission in this section, when
9-16 such an approach is beneficial in the judgment of the commission.
9-17 The commission shall plan and implement an efficient and effective
9-18 centralized system of administrative support services for the
9-19 health and human services system [~~agencies~~]. The performance of
9-20 administrative support services for the health and human services
9-21 system [~~agencies~~] is the responsibility of the commission. The
9-22 term "administrative support services" includes, but is not limited
9-23 to, strategic planning and evaluation, audit, legal, human
9-24 resources, information resources, purchasing, contract management,
9-25 financial management, and accounting services.

9-26 (e) Notwithstanding any other law, the executive
9-27 commissioner shall adopt rules and policies for the operation of
9-28 and provision of health and human services by the health and human
9-29 services system [~~agencies~~]. In addition, the executive
9-30 commissioner, as necessary to perform the functions described by
9-31 Subsections (b), (c), and (d) in implementation of applicable
9-32 policies established for a health and human services system [~~an~~]
9-33 agency or division, as applicable, by the executive commissioner,
9-34 shall:

9-35 (1) manage and direct the operations of each [~~health~~
9-36 ~~and human services~~] agency or division, as applicable;
9-37 (2) supervise and direct the activities of each agency
9-38 or division director, as applicable; and
9-39 (3) be responsible for the administrative supervision
9-40 of the internal audit program for the [~~all~~] health and human
9-41 services system agencies, if applicable, including:

9-42 (A) selecting the director of internal audit;
9-43 (B) ensuring that the director of internal audit
9-44 reports directly to the executive commissioner; and
9-45 (C) ensuring the independence of the internal
9-46 audit function.

9-47 (f) The operational authority and responsibility of the
9-48 executive commissioner for purposes of Subsection (e) for [~~at~~] each
9-49 health and human services system agency or division, as applicable,
9-50 includes authority over and responsibility for the:

9-51 (1) management of the daily operations of the agency
9-52 or division, including the organization and management of the
9-53 agency or division and its [~~agency~~] operating procedures;
9-54 (2) allocation of resources within the agency or
9-55 division, including use of federal funds received by the agency or
9-56 division;
9-57 (3) personnel and employment policies;
9-58 (4) contracting, purchasing, and related policies,
9-59 subject to this chapter and other laws relating to contracting and
9-60 purchasing by a state agency;
9-61 (5) information resources systems used by the agency
9-62 or division;
9-63 (6) location of [~~agency~~] facilities; and
9-64 (7) coordination of agency or division activities with
9-65 activities of other components of the health and human services
9-66 system and state agencies [~~, including other health and human~~
9-67 ~~services agencies~~].

9-68 (g) Notwithstanding any other law, the operational
9-69 authority and responsibility of the executive commissioner for

10-1 purposes of Subsection (e) for [at] each health and human services
 10-2 system agency or division, as applicable, includes the authority
 10-3 and responsibility to adopt or approve, subject to applicable
 10-4 limitations, any rate of payment or similar provision required by
 10-5 law to be adopted or approved by a health and human services system
 10-6 [the] agency.

10-7 (h) For each health and human services system agency and
 10-8 division, as applicable, the executive commissioner shall
 10-9 implement a program to evaluate and supervise [the] daily
 10-10 operations [of the agency]. The program must include measurable
 10-11 performance objectives for each agency or division director and
 10-12 adequate reporting requirements to permit the executive
 10-13 commissioner to perform the duties assigned to the executive
 10-14 commissioner under this section.

10-15 (l) Notwithstanding any other law, the executive
 10-16 commissioner has the authority to adopt policies and rules
 10-17 governing the delivery of services to persons who are served by the
 10-18 [each] health and human services system [agency] and the rights and
 10-19 duties of persons who are served or regulated by the system [each
 10-20 agency].

10-21 (n) This subsection and Subsections (a), (i), and (k) expire
 10-22 on the last day of the period prescribed by Section 531.02001(2).

10-23 SECTION 1.06. Section 531.00551, Government Code, as added
 10-24 by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, is
 10-25 amended by adding Subsection (c) to read as follows:

10-26 (c) This section expires on the last day of the period
 10-27 prescribed by Section 531.02001(2).

10-28 SECTION 1.07. Section 531.0056, Government Code, is amended
 10-29 by adding Subsections (g) and (h) to read as follows:

10-30 (g) The requirements of this section apply with respect to a
 10-31 state agency listed in Section 531.001(4) only until the agency is
 10-32 abolished under Section 531.0202.

10-33 (h) This section expires on the last day of the period
 10-34 prescribed by Section 531.02001(2).

10-35 SECTION 1.08. (a) Subchapter A, Chapter 531, Government
 10-36 Code, is amended by adding Sections 531.00561 and 531.00562 to read
 10-37 as follows:

10-38 Sec. 531.00561. APPOINTMENT AND QUALIFICATIONS OF DIVISION
 10-39 DIRECTORS. (a) The executive commissioner shall appoint a
 10-40 director for each division established within the commission under
 10-41 Section 531.008.

10-42 (b) The executive commissioner shall:

10-43 (1) develop clear qualifications for the director of
 10-44 each division appointed under this section that ensure that an
 10-45 individual appointed director has:

10-46 (A) demonstrated experience in fields relevant
 10-47 to the director position; and

10-48 (B) executive-level administrative and
 10-49 leadership experience; and

10-50 (2) ensure the qualifications developed under
 10-51 Subdivision (1) are publicly available.

10-52 Sec. 531.00562. DIVISION DIRECTOR DUTIES. (a) The
 10-53 executive commissioner shall clearly define the duties and
 10-54 responsibilities of a division director appointed under Section
 10-55 531.00561, and develop clear policies for the delegation of
 10-56 specific decision-making authority, including budget authority, to
 10-57 division directors.

10-58 (b) The delegation of decision-making authority should be
 10-59 significant enough to ensure the efficient administration of the
 10-60 commission's programs and services.

10-61 (b) The executive commissioner of the Health and Human
 10-62 Services Commission shall implement Sections 531.00561 and
 10-63 531.00562, Government Code, as added by this article, on the date
 10-64 specified in the transition plan required under Section 531.0204,
 10-65 Government Code, as added by this article.

10-66 SECTION 1.09. (a) Section 531.008, Government Code, as
 10-67 amended by S.B. 219, Acts of the 84th Legislature, Regular Session,
 10-68 2015, is amended to read as follows:

10-69 Sec. 531.008. DIVISIONS OF COMMISSION. (a) The [Subject

11-1 ~~to Subsection (c), the~~ executive commissioner shall ~~may~~
 11-2 establish divisions within the commission along functional lines as
 11-3 necessary for effective administration and for the discharge of the
 11-4 commission's functions.

11-5 (b) ~~The [Subject to Subsection (c), the]~~ executive
 11-6 commissioner may allocate and reallocate functions among the
 11-7 commission's divisions.

11-8 (c) Notwithstanding Subsections (a) and (b), the ~~[The]~~
 11-9 executive commissioner shall establish the following divisions and
 11-10 offices within the commission:

11-11 (1) a medical and social services division ~~[the~~
 11-12 ~~eligibility services division to make eligibility determinations~~
 11-13 ~~for services provided through the commission or a health and human~~
 11-14 ~~services agency related to:~~

11-15 [~~(A) the child health plan program;~~

11-16 [~~(B) the financial assistance program under~~
 11-17 ~~Chapter 31, Human Resources Code;~~

11-18 [~~(C) Medicaid;~~

11-19 [~~(D) the supplemental nutrition assistance~~
 11-20 ~~program under Chapter 33, Human Resources Code;~~

11-21 [~~(E) long-term care services, as defined by~~
 11-22 ~~Section 22.0011, Human Resources Code;~~

11-23 [~~(F) community-based support services identified~~
 11-24 ~~or provided in accordance with Section 531.02481; and~~

11-25 [~~(G) other health and human services programs, as~~
 11-26 ~~appropriate];~~

11-27 (2) the office of inspector general to perform fraud
 11-28 and abuse investigation and enforcement functions as provided by
 11-29 Subchapter C and other law;

11-30 (3) a regulatory division ~~[the office of the ombudsman~~
 11-31 ~~to:~~

11-32 [~~(A) provide dispute resolution services for the~~
 11-33 ~~commission and the health and human services agencies; and~~

11-34 [~~(B) perform consumer protection functions~~
 11-35 ~~related to health and human services];~~

11-36 (4) an administrative division ~~[a purchasing division~~
 11-37 ~~as provided by Section 531.017]; and~~

11-38 (5) a facilities division for the purpose of
 11-39 administering state facilities, including state hospitals and
 11-40 state-supported living centers ~~[an internal audit division to~~
 11-41 ~~conduct a program of internal auditing in accordance with Chapter~~
 11-42 ~~2102].~~

11-43 (d) Subsection (c) does not prohibit the executive
 11-44 commissioner from establishing additional divisions under
 11-45 Subsection (a) as the executive commissioner determines
 11-46 appropriate. This subsection and Subsection (c) expire September
 11-47 1, 2023.

11-48 (b) The executive commissioner of the Health and Human
 11-49 Services Commission shall establish divisions within the
 11-50 commission as required under Section 531.008, Government Code, as
 11-51 amended by this article, on the date specified in the transition
 11-52 plan required under Section 531.0204, Government Code, as added by
 11-53 this article.

11-54 SECTION 1.10. (a) Subchapter A, Chapter 531, Government
 11-55 Code, is amended by adding Section 531.0083 to read as follows:

11-56 Sec. 531.0083. OFFICE OF POLICY AND PERFORMANCE. (a) In
 11-57 this section, "office" means the office of policy and performance
 11-58 established by this section.

11-59 (b) The executive commissioner shall establish the office
 11-60 of policy and performance as an executive-level office designed to
 11-61 coordinate policy and performance efforts across the health and
 11-62 human services system. To coordinate those efforts, the office
 11-63 shall:

11-64 (1) develop a performance management system;

11-65 (2) take the lead in supporting and providing
 11-66 oversight for the implementation of major policy changes and in
 11-67 managing organizational changes; and

11-68 (3) act as a centralized body of experts within the
 11-69 commission that offers program evaluation and process improvement

12-1 expertise.

12-2 (c) In developing a performance management system under
12-3 Subsection (b)(1), the office shall:

12-4 (1) gather, measure, and evaluate performance
12-5 measures and accountability systems used by the health and human
12-6 services system;

12-7 (2) develop new and refined performance measures as
12-8 appropriate; and

12-9 (3) establish targeted, high-level system metrics
12-10 that are capable of measuring and communicating overall performance
12-11 and achievement of goals by the health and human services system to
12-12 both internal and public audiences through various mechanisms,
12-13 including the Internet.

12-14 (d) In providing support and oversight for the
12-15 implementation of policy or organizational changes within the
12-16 health and human services system under Subsection (b)(2), the
12-17 office shall:

12-18 (1) ensure individuals receiving services from or
12-19 participating in programs administered through the health and human
12-20 services system do not lose visibility or attention during the
12-21 implementation of any new policy or organizational change by:

12-22 (A) establishing timelines and milestones for
12-23 any transition;

12-24 (B) supporting staff of the health and human
12-25 services system in any change between service delivery methods; and

12-26 (C) providing feedback to executive management
12-27 on technical assistance and other support needed to achieve a
12-28 successful transition;

12-29 (2) address cultural differences among staff of the
12-30 health and human services system; and

12-31 (3) track and oversee changes in policy or
12-32 organization mandated by legislation or administrative rule.

12-33 (e) In acting as a centralized body of experts under
12-34 Subsection (b)(3), the office shall:

12-35 (1) for the health and human services system, provide
12-36 program evaluation and process improvement guidance both generally
12-37 and for specific projects identified with executive or stakeholder
12-38 input or through risk analysis; and

12-39 (2) identify and monitor cross-functional efforts
12-40 involving different administrative components within the health
12-41 and human services system and the establishment of cross-functional
12-42 teams when necessary to improve the coordination of services
12-43 provided through the system.

12-44 (f) The executive commissioner may otherwise develop the
12-45 office's structure and duties as the executive commissioner
12-46 determines appropriate.

12-47 (b) As soon as practicable after the effective date of this
12-48 article but not later than October 1, 2015, the executive
12-49 commissioner of the Health and Human Services Commission shall
12-50 establish the office of policy and performance as an executive
12-51 office within the commission as required under Section 531.0083,
12-52 Government Code, as added by this article.

12-53 (c) The office of policy and performance required under
12-54 Section 531.0083, Government Code, as added by this article, shall
12-55 assist the Health and Human Services Transition Legislative
12-56 Oversight Committee created under Section 531.0203, Government
12-57 Code, as added by this article, by performing the functions
12-58 required of the office under Section 531.0083(b)(2), Government
12-59 Code, as added by this article, with respect to the consolidation
12-60 mandated by Subchapter A-1, Chapter 531, Government Code, as added
12-61 by this article.

12-62 SECTION 1.11. Section 531.017, Government Code, is amended
12-63 to read as follows:

12-64 Sec. 531.017. PURCHASING UNIT [DIVISION]. (a) The
12-65 commission shall establish a purchasing unit [division] for the
12-66 management of administrative activities related to the purchasing
12-67 functions within [of the commission and] the health and human
12-68 services system [agencies].

12-69 (b) The purchasing unit [division] shall:

13-1 (1) seek to achieve targeted cost reductions, increase
 13-2 process efficiencies, improve technological support and customer
 13-3 services, and enhance purchasing support within the [for each]
 13-4 health and human services system [agency]; and

13-5 (2) if cost-effective, contract with private entities
 13-6 to perform purchasing functions for the [~~commission and the~~] health
 13-7 and human services system [agencies].

13-8 SECTION 1.12. (a) Sections 40.0515(d) and (e), Human
 13-9 Resources Code, are amended to read as follows:

13-10 (d) A performance review conducted under Subsection (b)(3)
 13-11 is considered a performance evaluation for purposes of Section
 13-12 40.032(c) of this code or Section 531.009(c), Government Code, as
 13-13 applicable. The department shall ensure that disciplinary or other
 13-14 corrective action is taken against a supervisor or other managerial
 13-15 employee who is required to conduct a performance evaluation for
 13-16 adult protective services personnel under Section 40.032(c) of this
 13-17 code or Section 531.009(c), Government Code, as applicable, or a
 13-18 performance review under Subsection (b)(3) and who fails to
 13-19 complete that evaluation or review in a timely manner.

13-20 (e) The annual performance evaluation required under
 13-21 Section 40.032(c) of this code or Section 531.009(c), Government
 13-22 Code, as applicable, of the performance of a supervisor in the adult
 13-23 protective services division must:

13-24 (1) be performed by an appropriate program
 13-25 administrator; and

13-26 (2) include:

13-27 (A) an evaluation of the supervisor with respect
 13-28 to the job performance standards applicable to the supervisor's
 13-29 assigned duties; and

13-30 (B) an evaluation of the supervisor with respect
 13-31 to the compliance of employees supervised by the supervisor with
 13-32 the job performance standards applicable to those employees'
 13-33 assigned duties.

13-34 (b) Effective September 1, 2019, Sections 40.0515(d) and
 13-35 (e), Human Resources Code, are amended to read as follows:

13-36 (d) A performance review conducted under Subsection (b)(3)
 13-37 is considered a performance evaluation for purposes of Section
 13-38 531.009(c), Government Code [~~40.032(c)~~]. The department shall
 13-39 ensure that disciplinary or other corrective action is taken
 13-40 against a supervisor or other managerial employee who is required
 13-41 to conduct a performance evaluation for adult protective services
 13-42 personnel under Section 531.009(c), Government Code, [40.032(c)]
 13-43 or a performance review under Subsection (b)(3) and who fails to
 13-44 complete that evaluation or review in a timely manner.

13-45 (e) The annual performance evaluation required under
 13-46 Section 531.009(c), Government Code, [40.032(c)] of the
 13-47 performance of a supervisor in the adult protective services
 13-48 division must:

13-49 (1) be performed by an appropriate program
 13-50 administrator; and

13-51 (2) include:

13-52 (A) an evaluation of the supervisor with respect
 13-53 to the job performance standards applicable to the supervisor's
 13-54 assigned duties; and

13-55 (B) an evaluation of the supervisor with respect
 13-56 to the compliance of employees supervised by the supervisor with
 13-57 the job performance standards applicable to those employees'
 13-58 assigned duties.

13-59 SECTION 1.13. (a) The heading to Subchapter C, Chapter
 13-60 112, Human Resources Code, is amended to read as follows:

13-61 SUBCHAPTER C. [~~OFFICE FOR THE~~] PREVENTION OF DEVELOPMENTAL
 13-62 DISABILITIES

13-63 (b) Section 112.042, Human Resources Code, is amended by
 13-64 amending Subdivision (1) and adding Subdivisions (1-a) and (1-b) to
 13-65 read as follows:

13-66 (1) "Commission" means the Health and Human Services
 13-67 Commission.

13-68 (1-a) "Developmental disability" means a severe,
 13-69 chronic disability that:

14-1 (A) is attributable to a mental or physical
 14-2 impairment or to a combination of a mental and physical impairment;
 14-3 (B) is manifested before a person reaches the age
 14-4 of 22;
 14-5 (C) is likely to continue indefinitely;
 14-6 (D) results in substantial functional
 14-7 limitations in three or more major life activities, including:
 14-8 (i) self-care;
 14-9 (ii) receptive and expressive language;
 14-10 (iii) learning;
 14-11 (iv) mobility;
 14-12 (v) self-direction;
 14-13 (vi) capacity for independent living; and
 14-14 (vii) economic sufficiency; and
 14-15 (E) reflects the person's needs for a combination
 14-16 and sequence of special interdisciplinary or generic care,
 14-17 treatment, or other lifelong or extended services that are
 14-18 individually planned and coordinated.

14-19 (1-b) "Executive commissioner" means the executive
 14-20 commissioner of the Health and Human Services Commission.

14-21 (c) Subchapter C, Chapter 112, Human Resources Code, is
 14-22 amended by adding Sections 112.0421 and 112.0431 to read as
 14-23 follows:

14-24 Sec. 112.0421. APPLICABILITY AND EXPIRATION OF CERTAIN
 14-25 PROVISIONS. (a) Sections 112.041(a), 112.043, 112.045, 112.0451,
 14-26 112.0452, 112.0453, 112.0454, 112.046, 112.047, 112.0471, and
 14-27 112.0472 apply only until the date the executive commissioner
 14-28 begins to administer this subchapter and the commission assumes the
 14-29 duties and functions of the Office for the Prevention of
 14-30 Developmental Disabilities in accordance with Section 112.0431.

14-31 (b) On the date the provisions listed in Subsection (a)
 14-32 cease to apply, the executive committee under Section 112.045 and
 14-33 the board of advisors under Section 112.046 are abolished.

14-34 (c) This section and Sections 112.041(a), 112.043, 112.045,
 14-35 112.0451, 112.0452, 112.0453, 112.0454, 112.046, 112.047,
 14-36 112.0471, and 112.0472 expire on the last day of the period
 14-37 prescribed by Section 531.02001(1), Government Code.

14-38 Sec. 112.0431. ADMINISTRATION OF SUBCHAPTER; CERTAIN
 14-39 REFERENCES. (a) Notwithstanding any other provision in this
 14-40 subchapter, the executive commissioner shall administer this
 14-41 subchapter beginning on the date specified in the transition plan
 14-42 under Section 531.0204, Government Code, and the commission shall
 14-43 perform the duties and functions of the Office for the Prevention of
 14-44 Developmental Disabilities in the organizational form the
 14-45 executive commissioner determines appropriate.

14-46 (b) Following the assumption of the administration of this
 14-47 subchapter by the executive commissioner and the duties and
 14-48 functions by the commission in accordance with Subsection (a):

14-49 (1) a reference in this subchapter to the office, the
 14-50 Office for the Prevention of Developmental Disabilities, or the
 14-51 executive committee of that office means the commission, the
 14-52 division or other organizational unit within the commission
 14-53 designated by the executive commissioner, or the executive
 14-54 commissioner, as appropriate; and

14-55 (2) a reference in any other law to the Office for the
 14-56 Prevention of Developmental Disabilities has the meaning assigned
 14-57 by Subdivision (1).

14-58 (d) Section 112.044, Human Resources Code, is amended to
 14-59 read as follows:

14-60 Sec. 112.044. DUTIES. The office shall:

14-61 (1) educate the public and attempt to promote sound
 14-62 public policy regarding the prevention of developmental
 14-63 disabilities;

14-64 (2) identify, collect, and disseminate information
 14-65 and data concerning the causes, frequency of occurrence, and
 14-66 preventability of developmental disabilities;

14-67 (3) work with appropriate divisions within the
 14-68 commission, state agencies, and other entities to develop a
 14-69 coordinated long-range plan to effectively monitor and reduce the

15-1 incidence or severity of developmental disabilities;
 15-2 (4) promote and facilitate the identification,
 15-3 development, coordination, and delivery of needed prevention
 15-4 services;

15-5 (5) solicit, receive, and spend grants and donations
 15-6 from public, private, state, and federal sources;

15-7 (6) identify and encourage establishment of needed
 15-8 reporting systems to track the causes and frequencies of occurrence
 15-9 of developmental disabilities;

15-10 (7) develop, operate, and monitor programs created
 15-11 under Section 112.048 addressing ~~[task forces to address]~~ the
 15-12 prevention of specific targeted developmental disabilities;

15-13 (8) monitor and assess the effectiveness of divisions
 15-14 within the commission and of state agencies in preventing ~~to~~
 15-15 prevent] developmental disabilities;

15-16 (9) recommend the role each division within the
 15-17 commission and each state agency should have with regard to
 15-18 prevention of developmental disabilities;

15-19 (10) facilitate coordination of state agency
 15-20 prevention services and activities within the commission and among
 15-21 appropriate state agencies; and

15-22 (11) encourage cooperative, comprehensive, and
 15-23 complementary planning among public, private, and volunteer
 15-24 individuals and organizations engaged in prevention activities,
 15-25 providing prevention services, or conducting related research.

15-26 (e) Sections 112.048 and 112.049, Human Resources Code, are
 15-27 amended to read as follows:

15-28 Sec. 112.048. PREVENTION PROGRAMS FOR TARGETED
 15-29 DEVELOPMENTAL DISABILITIES ~~[TASK FORCES]~~. (a) The executive
 15-30 committee shall establish guidelines for:

15-31 (1) selecting targeted disabilities;

15-32 (2) assessing prevention services needs; and

15-33 (3) reviewing ~~[task force]~~ plans, budgets, and
 15-34 operations for programs under this section.

15-35 (b) The executive committee shall ~~[create task forces made~~
 15-36 ~~up of members of the board of advisors to]~~ plan and implement
 15-37 prevention programs for specifically targeted developmental
 15-38 disabilities. ~~[A task force operates as an administrative division~~
 15-39 ~~of the office and can be abolished when it is ineffective or is no~~
 15-40 ~~longer needed.]~~

15-41 (c) A program under this section ~~[task force shall]~~:

15-42 (1) must include ~~[develop]~~ a plan designed to reduce
 15-43 the incidence of a specifically targeted disability;

15-44 (2) must include ~~[prepare]~~ a budget for implementing a
 15-45 plan;

15-46 (3) must be funded ~~[arrange for funds]~~ through:

15-47 (A) contracts for services from participating
 15-48 agencies;

15-49 (B) grants and gifts from private persons and
 15-50 consumer and advocacy organizations; and

15-51 (C) foundation support; and

15-52 (4) must be approved by ~~[submit the plan, budget, and~~
 15-53 evidence of funding commitments to] the executive committee ~~[for~~
 15-54 approval].

15-55 ~~[(d) A task force shall regularly report to the executive~~
 15-56 ~~committee, as required by the committee, the operation, progress,~~
 15-57 ~~and results of the task force's prevention plan.]~~

15-58 Sec. 112.049. EVALUATION. (a) The office shall identify
 15-59 or encourage the establishment of needed statistical bases for each
 15-60 targeted group against which the office can measure how effectively
 15-61 a ~~[task force]~~ program under Section 112.048 is reducing the
 15-62 frequency or severity of a targeted developmental disability.

15-63 (b) The executive committee shall regularly monitor and
 15-64 evaluate the results of ~~[task force prevention]~~ programs under
 15-65 Section 112.048.

15-66 (f) The heading to Section 112.050, Human Resources Code, is
 15-67 amended to read as follows:

15-68 Sec. 112.050. GRANTS AND OTHER FUNDING.

15-69 (g) Section 112.050, Human Resources Code, is amended by

16-1 amending Subsection (c) and adding Subsection (d) to read as
16-2 follows:

16-3 (c) The executive committee may not submit a legislative
16-4 appropriation request for general revenue funds for purposes of
16-5 this subchapter.

16-6 (d) In addition to funding under Subsection (a), the office
16-7 may accept and solicit gifts, donations, and grants of money from
16-8 public and private sources, including the federal government, local
16-9 governments, and private entities, to assist in financing the
16-10 duties and functions of the office. The commission shall support
16-11 office fund-raising efforts authorized by this subsection. Funds
16-12 raised under this subsection may only be spent in furtherance of a
16-13 duty or function of the office or in accordance with rules
16-14 applicable to the office.

16-15 (h) Section 112.051, Human Resources Code, is amended to
16-16 read as follows:

16-17 Sec. 112.051. REPORTS TO LEGISLATURE. The office shall
16-18 submit by February 1 of each odd-numbered year biennial reports to
16-19 the legislature detailing findings of the office and the results of
16-20 [~~task force prevention~~] programs under Section 112.048 and
16-21 recommending improvements in the delivery of developmental
16-22 disability prevention services.

16-23 (i) Notwithstanding the changes in law made by this section,
16-24 the Office for the Prevention of Developmental Disabilities and any
16-25 administrative entity of the Office for the Prevention of
16-26 Developmental Disabilities shall continue to operate under the law
16-27 as it existed before the effective date of this article, and that
16-28 law is continued in effect for that purpose, until the executive
16-29 commissioner of the Health and Human Services Commission begins
16-30 administering Subchapter C, Chapter 112, Human Resources Code, as
16-31 amended by this article, and the commission begins performing the
16-32 duties and functions of the Office for the Prevention of
16-33 Developmental Disabilities as required by Section 112.0431, Human
16-34 Resources Code, as added by this article, on the date specified in
16-35 the transition plan required under Section 531.0204, Government
16-36 Code, as added by this article.

16-37 (j) The executive commissioner of the Health and Human
16-38 Services Commission shall begin administering Subchapter C,
16-39 Chapter 112, Human Resources Code, as amended by this article, and
16-40 the commission shall begin performing the duties and functions of
16-41 the Office for the Prevention of Developmental Disabilities as
16-42 required by Section 112.0431, Human Resources Code, as added by
16-43 this article, on the date specified in the transition plan required
16-44 under Section 531.0204, Government Code, as added by this article.

16-45 SECTION 1.14. (a) The heading to Chapter 114, Human
16-46 Resources Code, is amended to read as follows:

16-47 CHAPTER 114. [~~TEXAS COUNCIL ON~~] AUTISM AND PERVASIVE
16-48 DEVELOPMENTAL DISORDERS

16-49 (b) Section 114.002, Human Resources Code, is amended by
16-50 adding Subdivisions (1-a) and (3) to read as follows:

16-51 (1-a) "Commission" means the Health and Human Services
16-52 Commission.

16-53 (3) "Executive commissioner" means the executive
16-54 commissioner of the Health and Human Services Commission.

16-55 (c) Chapter 114, Human Resources Code, is amended by adding
16-56 Sections 114.0021 and 114.0031 to read as follows:

16-57 Sec. 114.0021. APPLICABILITY AND EXPIRATION OF CERTAIN
16-58 PROVISIONS. (a) Sections 114.001, 114.003, 114.004, 114.005,
16-59 114.007(a), and 114.010(d) apply only until the date the executive
16-60 commissioner begins to administer this chapter and the commission
16-61 assumes the duties and functions of the Texas Council on Autism and
16-62 Pervasive Developmental Disorders in accordance with Section
16-63 114.0031.

16-64 (b) On the date the provisions listed in Subsection (a)
16-65 cease to apply, the Texas Council on Autism and Pervasive
16-66 Developmental Disorders is abolished.

16-67 (c) This section and Sections 114.001, 114.003, 114.004,
16-68 114.005, 114.007(a), and 114.010(d) expire on the last day of the
16-69 period prescribed by Section 531.02001(1), Government Code.

17-1 Sec. 114.0031. ADMINISTRATION OF CHAPTER; CERTAIN
 17-2 REFERENCES. (a) Notwithstanding any other provision in this
 17-3 chapter, the executive commissioner shall administer this chapter
 17-4 beginning on the date specified in the transition plan under
 17-5 Section 531.0204, Government Code, and the commission shall perform
 17-6 the duties and functions of the Texas Council on Autism and
 17-7 Pervasive Developmental Disorders in the organizational form the
 17-8 executive commissioner determines appropriate.

17-9 (b) Following the assumption of the administration of this
 17-10 chapter by the executive commissioner and the duties and functions
 17-11 by the commission in accordance with Subsection (a):

17-12 (1) a reference in this chapter to the council, the
 17-13 Texas Council on Autism and Pervasive Developmental Disorders, or
 17-14 an agency represented on the council means the commission, the
 17-15 division or other organizational unit within the commission
 17-16 designated by the executive commissioner, or the executive
 17-17 commissioner, as appropriate; and

17-18 (2) a reference in any other law to the Texas Council
 17-19 on Autism and Pervasive Developmental Disorders has the meaning
 17-20 assigned by Subdivision (1).

17-21 (d) Section 114.006(b), Human Resources Code, is amended to
 17-22 read as follows:

17-23 (b) The council shall make written recommendations on the
 17-24 implementation of this chapter. If the council considers a
 17-25 recommendation that will affect another state ~~an~~ agency ~~not~~
 17-26 ~~represented on the council~~, the council shall seek the advice and
 17-27 assistance of the agency before taking action on the
 17-28 recommendation. On approval of the governing body of the agency,
 17-29 each agency affected by a council recommendation shall implement
 17-30 the recommendation. If an agency does not have sufficient funds to
 17-31 implement a recommendation, the agency shall request funds for that
 17-32 purpose in its next budget proposal.

17-33 (e) Sections 114.007(b) and (c), Human Resources Code, are
 17-34 amended to read as follows:

17-35 (b) The council with ~~the advice of the advisory task force~~
 17-36 ~~and~~ input from people with autism and other pervasive
 17-37 developmental disorders, their families, and related advocacy
 17-38 organizations shall address contemporary issues affecting services
 17-39 available to persons with autism or other pervasive developmental
 17-40 disorders in this state, including:

- 17-41 (1) successful intervention and treatment strategies,
 17-42 including transitioning;
 17-43 (2) personnel preparation and continuing education;
 17-44 (3) referral, screening, and evaluation services;
 17-45 (4) day care, respite care, or residential care
 17-46 services;
 17-47 (5) vocational and adult training programs;
 17-48 (6) public awareness strategies;
 17-49 (7) contemporary research;
 17-50 (8) early identification strategies;
 17-51 (9) family counseling and case management; and
 17-52 (10) recommendations for monitoring autism service
 17-53 programs.

17-54 (c) The council with ~~the advice of the advisory task force~~
 17-55 ~~and~~ input from people with autism and other pervasive
 17-56 developmental disorders, their families, and related advocacy
 17-57 organizations shall advise the legislature on legislation that is
 17-58 needed to develop further and to maintain a statewide system of
 17-59 quality intervention and treatment services for all persons with
 17-60 autism or other pervasive developmental disorders. The council may
 17-61 develop and recommend legislation to the legislature or comment on
 17-62 pending legislation that affects those persons.

17-63 (f) Section 114.008, Human Resources Code, is amended to
 17-64 read as follows:

17-65 Sec. 114.008. REPORT. (a) ~~[The agencies represented on~~
 17-66 ~~the council and the public members shall report to the council any~~
 17-67 ~~requirements identified by the agency or person to provide~~
 17-68 ~~additional or improved services to persons with autism or other~~
 17-69 ~~pervasive developmental disorders.]~~ Not later than November 1 of

18-1 each even-numbered year, the council shall:

18-2 (1) prepare a report summarizing requirements the
 18-3 council identifies and recommendations for providing additional or
 18-4 improved services to persons with autism or other pervasive
 18-5 developmental disorders; and

18-6 (2) deliver the report to the executive commissioner
 18-7 [of the Health and Human Services Commission], the governor, the
 18-8 lieutenant governor, and the speaker of the house of
 18-9 representatives [a report summarizing the recommendations].

18-10 (b) The council shall develop a strategy for establishing
 18-11 new programs to meet the requirements identified through the
 18-12 council's review and assessment and from input from ~~[the task~~
 18-13 ~~force]~~ people with autism and related pervasive developmental
 18-14 disorders, their families, and related advocacy organizations.

18-15 (g) Section 114.013, Human Resources Code, is amended to
 18-16 read as follows:

18-17 Sec. 114.013. COORDINATION OF RESOURCES FOR INDIVIDUALS
 18-18 WITH AUTISM SPECTRUM DISORDERS [RESOURCE CENTER]. (a) The
 18-19 commission [Health and Human Services Commission] shall [establish
 18-20 and administer an autism spectrum disorders resource center to]
 18-21 coordinate resources for individuals with autism and other
 18-22 pervasive developmental disorders and their families. In
 18-23 coordinating those resources [establishing and administering the
 18-24 center], the commission [Health and Human Services Commission]
 18-25 shall consult with [the council and coordinate with] appropriate
 18-26 state agencies[, including each agency represented on the council].

18-27 (b) As part of coordinating resources under Subsection (a),
 18-28 the commission [The Health and Human Services Commission] shall
 18-29 [design the center to]:

18-30 (1) collect and distribute information and research
 18-31 regarding autism and other pervasive developmental disorders;

18-32 (2) conduct training and development activities for
 18-33 persons who may interact with an individual with autism or another
 18-34 pervasive developmental disorder in the course of their employment,
 18-35 including school, medical, or law enforcement personnel;

18-36 (3) coordinate with local entities that provide
 18-37 services to an individual with autism or another pervasive
 18-38 developmental disorder; and

18-39 (4) provide support for families affected by autism
 18-40 and other pervasive developmental disorders.

18-41 (h) Notwithstanding the changes in law made by this section,
 18-42 the Texas Council on Autism and Pervasive Developmental Disorders
 18-43 and any administrative entity of the Texas Council on Autism and
 18-44 Pervasive Developmental Disorders shall continue to operate under
 18-45 the law as it existed before the effective date of this article, and
 18-46 that law is continued in effect for that purpose, until the
 18-47 executive commissioner of the Health and Human Services Commission
 18-48 begins administering Chapter 114, Human Resources Code, as amended
 18-49 by this article, and the commission begins performing the duties
 18-50 and functions of the Texas Council on Autism and Pervasive
 18-51 Developmental Disorders as required by Section 114.0031, Human
 18-52 Resources Code, as added by this article, on the date specified in
 18-53 the transition plan required under Section 531.0204, Government
 18-54 Code, as added by this article.

18-55 (i) The executive commissioner of the Health and Human
 18-56 Services Commission shall begin administering Chapter 114, Human
 18-57 Resources Code, as amended by this article, and the commission
 18-58 shall begin performing the duties and functions of the Texas
 18-59 Council on Autism and Pervasive Developmental Disorders as required
 18-60 by Section 114.0031, Human Resources Code, as added by this
 18-61 article, on the date specified in the transition plan required
 18-62 under Section 531.0204, Government Code, as added by this article.

18-63 SECTION 1.15. (a) Effective September 1, 2016, Subchapter
 18-64 K, Chapter 531, Government Code, including provisions amended by
 18-65 S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, is
 18-66 repealed.

18-67 (b) Effective September 1, 2016, the following provisions
 18-68 of the Health and Safety Code are repealed:

18-69 (1) Section 1001.021;

- 19-1 (2) Section 1001.022;
- 19-2 (3) Section 1001.023;
- 19-3 (4) Section 1001.024;
- 19-4 (5) Section 1001.025;
- 19-5 (6) Section 1001.026; and
- 19-6 (7) Section 1001.027.

19-7 (c) Effective September 1, 2016, the following provisions
 19-8 of the Human Resources Code, including provisions amended by S.B.
 19-9 219, Acts of the 84th Legislature, Regular Session, 2015, are
 19-10 repealed:

- 19-11 (1) Section 40.021;
- 19-12 (2) Section 40.022;
- 19-13 (3) Section 40.0226;
- 19-14 (4) Section 40.024;
- 19-15 (5) Section 40.025;
- 19-16 (6) Section 40.026;
- 19-17 (7) Section 117.002;
- 19-18 (8) Section 117.021;
- 19-19 (9) Section 117.022;
- 19-20 (10) Section 117.023;
- 19-21 (11) Section 117.024;
- 19-22 (12) Section 117.025;
- 19-23 (13) Section 117.026;
- 19-24 (14) Section 117.027;
- 19-25 (15) Section 117.028;
- 19-26 (16) Section 117.029;
- 19-27 (17) Section 117.030;
- 19-28 (18) Section 117.032;
- 19-29 (19) Section 117.051;
- 19-30 (20) Section 117.052;
- 19-31 (21) Section 117.053;
- 19-32 (22) Section 117.054;
- 19-33 (23) Section 117.055;
- 19-34 (24) Section 117.056;
- 19-35 (25) Section 117.072;
- 19-36 (26) Section 161.002;
- 19-37 (27) Subchapter B, Chapter 161;
- 19-38 (28) Section 161.051;
- 19-39 (29) Section 161.052;
- 19-40 (30) Section 161.053;
- 19-41 (31) Section 161.054;
- 19-42 (32) Section 161.055;
- 19-43 (33) Section 161.056; and
- 19-44 (34) Section 161.072.

19-45 SECTION 1.16. (a) Effective September 1, 2019, Section
 19-46 531.0163, Government Code, is repealed.

19-47 (b) Effective September 1, 2019, the following provisions
 19-48 of the Health and Safety Code, including provisions amended by S.B.
 19-49 219, Acts of the 84th Legislature, Regular Session, 2015, are
 19-50 repealed:

- 19-51 (1) Section 1001.002;
- 19-52 (2) Section 1001.028;
- 19-53 (3) Section 1001.029;
- 19-54 (4) Section 1001.030;
- 19-55 (5) Section 1001.032;
- 19-56 (6) Subchapter C, Chapter 1001; and
- 19-57 (7) Section 1001.074.

19-58 (c) Effective September 1, 2019, the following provisions
 19-59 of the Human Resources Code, including provisions amended by S.B.
 19-60 219, Acts of the 84th Legislature, Regular Session, 2015, are
 19-61 repealed:

- 19-62 (1) Section 40.002(a);
- 19-63 (2) Section 40.004;
- 19-64 (3) Section 40.0041;
- 19-65 (4) Section 40.027;
- 19-66 (5) Section 40.032; and
- 19-67 (6) Section 40.033.

19-68 SECTION 1.17. Notwithstanding Sections 1.15 and 1.16 of
 19-69 this article, the implementation of a provision repealed by those

20-1 sections ceases on the date the responsible state agency or entity
 20-2 listed in Section 531.0202, Government Code, as added by this
 20-3 article, is abolished as provided by Subchapter A-1, Chapter 531,
 20-4 Government Code, as added by this article.

20-5 ARTICLE 2. HEALTH AND HUMAN SERVICES SYSTEM OPERATIONS

20-6 SECTION 2.01. Section 531.001, Government Code, is amended
 20-7 by adding Subdivision (3-a) to read as follows:

20-8 (3-a) "Health and human services system" means the
 20-9 system for providing or otherwise administering health and human
 20-10 services in this state by the commission, including through an
 20-11 office or division of the commission or through another entity
 20-12 under the administrative and operational control of the executive
 20-13 commissioner.

20-14 SECTION 2.02. Subchapter A, Chapter 531, Government Code,
 20-15 is amended by adding Section 531.00552 to read as follows:

20-16 Sec. 531.00552. CONSOLIDATED INTERNAL AUDIT PROGRAM.

20-17 (a) Notwithstanding Section 2102.005, the commission shall
 20-18 operate the internal audit program required under Chapter 2102 for
 20-19 the commission and each health and human services agency as a
 20-20 consolidated internal audit program.

20-21 (b) For purposes of this section, a reference in Chapter
 20-22 2102 to the administrator of a state agency with respect to a health
 20-23 and human services agency means the executive commissioner.

20-24 (c) This section expires on the last day of the period
 20-25 prescribed by Section 531.02001(2).

20-26 SECTION 2.03. Section 531.006, Government Code, as amended
 20-27 by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, is
 20-28 amended to read as follows:

20-29 Sec. 531.006. ELIGIBILITY FOR APPOINTMENT AS EXECUTIVE
 20-30 COMMISSIONER; EMPLOYEE RESTRICTIONS. (a) In this section, "Texas
 20-31 trade association" means a cooperative and voluntarily joined
 20-32 statewide association of business or professional competitors in
 20-33 this state designed to assist its members and its industry or
 20-34 profession in dealing with mutual business or professional problems
 20-35 and in promoting their common interest.

20-36 (a-1) A person may not be appointed [is not eligible for
 20-37 appointment] as executive commissioner, may not serve on the
 20-38 commission's executive council, and may not be a commission
 20-39 employee employed in a "bona fide executive, administrative, or
 20-40 professional capacity," as that phrase is used for purposes of
 20-41 establishing an exemption to the overtime provisions of the federal
 20-42 Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.) if:

20-43 (1) the person is an officer, employee, or paid
 20-44 consultant of a Texas trade association in the field of health and
 20-45 human services; or

20-46 (2) the person's spouse is an [employee,] officer,
 20-47 manager, or paid consultant of a Texas trade association in the [a]
 20-48 field of health and human services [under the commission's
 20-49 jurisdiction].

20-50 (b) A person may not be appointed as executive commissioner
 20-51 or act as general counsel of the commission if the person [who] is
 20-52 required to register as a lobbyist under Chapter 305 because of the
 20-53 person's activities for compensation [in or] on behalf of a
 20-54 profession related to the operation of the commission [a field
 20-55 under the commission's jurisdiction may not serve as executive
 20-56 commissioner].

20-57 (c) A person may not be appointed [is not eligible for
 20-58 appointment] as executive commissioner if the person has a
 20-59 financial interest in a corporation, organization, or association
 20-60 under contract with:

20-61 (1) the commission or a health and human services
 20-62 agency [Department of State Health Services, if the contract
 20-63 involves mental health services];

20-64 (2) [the Department of Aging and Disability Services,
 20-65 if the contract involves intellectual and developmental disability
 20-66 services,

20-67 [(-3)] a local mental health or intellectual and
 20-68 developmental disability authority; or

20-69 (3) [(-4)] a community center.

21-1 SECTION 2.04. Section 531.0161, Government Code, is amended
 21-2 by adding Subsection (c) to read as follows:

21-3 (c) The commission shall:

21-4 (1) coordinate the implementation of the policy
 21-5 developed under Subsection (a);

21-6 (2) provide training as needed to implement the
 21-7 procedures for negotiated rulemaking or alternative dispute
 21-8 resolution; and

21-9 (3) collect data concerning the effectiveness of those
 21-10 procedures.

21-11 SECTION 2.05. (a) Subchapter A, Chapter 531, Government
 21-12 Code, is amended by adding Section 531.0164 to read as follows:

21-13 Sec. 531.0164. HEALTH AND HUMAN SERVICES SYSTEM INTERNET
 21-14 WEBSITE COORDINATION. The commission shall establish a process to
 21-15 ensure Internet websites across the health and human services
 21-16 system are developed and maintained according to standard criteria
 21-17 for uniformity, efficiency, and technical capabilities. Under the
 21-18 process, the commission shall:

21-19 (1) develop and maintain an inventory of all health
 21-20 and human services system Internet websites;

21-21 (2) on an ongoing basis, evaluate the inventory
 21-22 maintained under Subdivision (1) to:

21-23 (A) determine whether any of the Internet
 21-24 websites should be consolidated to improve public access to those
 21-25 websites' content; and

21-26 (B) ensure the Internet websites comply with the
 21-27 standard criteria; and

21-28 (3) if appropriate, consolidate the websites
 21-29 identified under Subdivision (2)(A).

21-30 (b) As soon as possible after the effective date of this
 21-31 article, the Health and Human Services Commission shall implement
 21-32 Section 531.0164, Government Code, as added by this article.

21-33 (c) As soon as possible after a state agency or entity is
 21-34 abolished as provided by Section 531.0202, Government Code, as
 21-35 added by this Act, the Health and Human Services Commission shall,
 21-36 in accordance with Section 531.0164, Government Code, as added by
 21-37 this article, ensure that an Internet website operated by or
 21-38 related to the abolished state agency or entity is updated,
 21-39 transferred, or consolidated to reflect the consolidation mandated
 21-40 by Subchapter A-1, Chapter 531, Government Code, as added by this
 21-41 Act.

21-42 SECTION 2.06. (a) Subchapter A, Chapter 531, Government
 21-43 Code, is amended by adding Section 531.0171 to read as follows:

21-44 Sec. 531.0171. OFFICE OF OMBUDSMAN. (a) The executive
 21-45 commissioner shall establish the commission's office of the
 21-46 ombudsman with authority and responsibility over the health and
 21-47 human services system in performing the following functions:

21-48 (1) providing dispute resolution services for the
 21-49 health and human services system;

21-50 (2) performing consumer protection and advocacy
 21-51 functions related to health and human services, including assisting
 21-52 a consumer or other interested person with:

21-53 (A) raising a matter within the health and human
 21-54 services system that the person feels is being ignored; and

21-55 (B) obtaining information regarding a filed
 21-56 complaint; and

21-57 (3) collecting inquiry and complaint data related to
 21-58 the health and human services system.

21-59 (b) The office of the ombudsman does not have the authority
 21-60 to provide a separate process for resolving complaints or appeals.

21-61 (c) The executive commissioner shall develop a standard
 21-62 process for tracking and reporting received inquiries and
 21-63 complaints within the health and human services system. The
 21-64 process must provide for the centralized tracking of inquiries and
 21-65 complaints submitted to field, regional, or other local health and
 21-66 human services system offices.

21-67 (d) Using the process developed under Subsection (c), the
 21-68 office of the ombudsman shall collect inquiry and complaint data
 21-69 from all offices, agencies, divisions, and other entities within

22-1 the health and human services system. To assist with the collection
 22-2 of data under this subsection, the office may access any system or
 22-3 process for recording inquiries and complaints used or maintained
 22-4 within the health and human services system.

22-5 (b) As soon as possible after the effective date of this
 22-6 article, the executive commissioner of the Health and Human
 22-7 Services Commission shall implement Section 531.0171, Government
 22-8 Code, as added by this article.

22-9 (c) Notwithstanding any other provision of state law, each
 22-10 office of an ombudsman established before the effective date of
 22-11 this section that performs ombudsman duties for a state agency or
 22-12 entity subject to abolition under Section 531.0202, Government
 22-13 Code, as added by this Act, is abolished on the date the state
 22-14 agency or entity for which the office performs ombudsman duties is
 22-15 abolished in accordance with the transition plan under Section
 22-16 531.0204, Government Code, as added by this Act, except that the
 22-17 following are not abolished and continue in existence:

22-18 (1) the office of independent ombudsman for state
 22-19 supported living centers established under Subchapter C, Chapter
 22-20 555, Health and Safety Code;

22-21 (2) the office of the state long-term care ombudsman;
 22-22 and

22-23 (3) any other ombudsman office serving all or part of
 22-24 the health and human services system that is required by federal
 22-25 law.

22-26 (d) The executive commissioner of the Health and Human
 22-27 Services Commission shall certify which offices of ombudsman are
 22-28 abolished, and which are exempt from abolition, under Subsection
 22-29 (c) of this section and shall publish that certification in the
 22-30 Texas Register not later than September 1, 2016.

22-31 SECTION 2.07. (a) Subchapter A, Chapter 531, Government
 22-32 Code, is amended by adding Section 531.0192 to read as follows:

22-33 Sec. 531.0192. HEALTH AND HUMAN SERVICES SYSTEM HOTLINE AND
 22-34 CALL CENTER COORDINATION. (a) The commission shall establish a
 22-35 process to ensure all health and human services system hotlines and
 22-36 call centers are necessary and appropriate. Under the process, the
 22-37 commission shall:

22-38 (1) develop criteria for use in assessing whether a
 22-39 hotline or call center serves an ongoing purpose;

22-40 (2) develop and maintain an inventory of all system
 22-41 hotlines and call centers;

22-42 (3) use the inventory and assessment criteria
 22-43 developed under this subsection to periodically consolidate
 22-44 hotlines and call centers along appropriate functional lines; and

22-45 (4) develop an approval process designed to ensure
 22-46 that a newly established hotline or call center, including the
 22-47 telephone system and contract terms for the hotline or call center,
 22-48 meets policies and standards established by the commission.

22-49 (b) In consolidating hotlines and call centers under
 22-50 Subsection (a)(3), the commission shall seek to maximize the use
 22-51 and effectiveness of the commission's 2-1-1 telephone number.

22-52 (b) As soon as possible after the effective date of this
 22-53 article, the Health and Human Services Commission shall implement
 22-54 Section 531.0192, Government Code, as added by this article.

22-55 (c) Not later than March 1, 2016, the Health and Human
 22-56 Services Commission shall complete an initial assessment and
 22-57 consolidation of hotlines and call centers, as required by Section
 22-58 531.0192, Government Code, as added by this article.

22-59 (d) As soon as possible after a state agency or entity is
 22-60 abolished as provided by Section 531.0202, Government Code, as
 22-61 added by this Act, the Health and Human Services Commission shall,
 22-62 in accordance with Section 531.0192, Government Code, as added by
 22-63 this article, ensure a hotline or call center operated or
 22-64 administered by the abolished state agency or entity is transferred
 22-65 or consolidated to reflect the consolidation mandated by Subchapter
 22-66 A-1, Chapter 531, Government Code, as added by this Act.

22-67 SECTION 2.08. (a) Section 531.0211(b), Government Code,
 22-68 as amended by S.B. 219, Acts of the 84th Legislature, Regular
 22-69 Session, 2015, is amended to read as follows:

23-1 (b) The report must include:

23-2 (1) for each state agency described by Subsection (a):

23-3 (A) a description of each of the components of

23-4 Medicaid operated by the agency; and

23-5 (B) an accounting of all funds related to

23-6 Medicaid received and disbursed by the agency during the period

23-7 covered by the report, including:

23-8 (i) the amount of any federal Medicaid

23-9 funds allocated to the agency for the support of each of the

23-10 Medicaid components operated by the agency;

23-11 (ii) the amount of any funds appropriated

23-12 by the legislature to the agency for each of those components; and

23-13 (iii) the amount of Medicaid payments and

23-14 related expenditures made by or in connection with each of those

23-15 components; and

23-16 (2) for each Medicaid component identified in the

23-17 report:

23-18 (A) the amount and source of funds or other

23-19 revenue received by or made available to the agency for the

23-20 component; ~~and~~

23-21 (B) the amount spent on each type of service or

23-22 benefit provided by or under the component;

23-23 (C) the amount spent on component operations,

23-24 including eligibility determination, claims processing, and case

23-25 management; and

23-26 (D) the amount spent on any other administrative

23-27 costs [information required by Section 531.02112(b)].

23-28 (b) The following provisions, including provisions amended

23-29 by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015,

23-30 are repealed:

23-31 (1) Section 531.02112, Government Code;

23-32 (2) Sections 531.03131(f) and (g), Government Code;

23-33 (3) Section 2155.144(o), Government Code; and

23-34 (4) Section 22.0251(b), Human Resources Code.

23-35 SECTION 2.09. (a) Subchapter B, Chapter 531, Government

23-36 Code, is amended by adding Section 531.02118 to read as follows:

23-37 Sec. 531.02118. STREAMLINING MEDICAID PROVIDER ENROLLMENT

23-38 AND CREDENTIALING PROCESSES. (a) The commission shall streamline

23-39 provider enrollment and credentialing processes under Medicaid.

23-40 (b) In streamlining the Medicaid provider enrollment

23-41 process, the commission shall establish a centralized Internet

23-42 portal through which providers may enroll in Medicaid. The

23-43 commission may use the Internet portal created under this

23-44 subsection to create a single, consolidated Medicaid provider

23-45 enrollment and credentialing process.

23-46 (c) In streamlining the Medicaid provider credentialing

23-47 process under this section, the commission may designate a

23-48 centralized credentialing entity and may:

23-49 (1) share information in the database established

23-50 under Subchapter C, Chapter 32, Human Resources Code, with the

23-51 centralized credentialing entity; and

23-52 (2) require all managed care organizations

23-53 contracting with the commission to provide health care services to

23-54 Medicaid recipients under a managed care plan issued by the

23-55 organization to use the centralized credentialing entity as a hub

23-56 for the collection and sharing of information.

23-57 (d) If cost-effective, the commission may contract with a

23-58 third party to develop the single, consolidated Medicaid provider

23-59 enrollment and credentialing process authorized under Subsection

23-60 (b).

23-61 (b) The Health and Human Services Commission shall

23-62 streamline provider enrollment and credentialing processes as

23-63 required under Section 531.02118, Government Code, as added by this

23-64 article, not later than September 1, 2016.

23-65 SECTION 2.10. (a) Section 531.02141, Government Code, is

23-66 amended by adding Subsections (c), (d), and (e) to read as follows:

23-67 (c) The commission shall regularly evaluate data submitted

23-68 by managed care organizations that contract with the commission

23-69 under Chapter 533 to determine whether:

24-1 (1) the data continues to serve a useful purpose; and
 24-2 (2) additional data is needed to oversee contracts or
 24-3 evaluate the effectiveness of Medicaid.

24-4 (d) The commission shall collect Medicaid managed care data
 24-5 that effectively captures the quality of services received by
 24-6 Medicaid recipients.

24-7 (e) The commission shall develop a dashboard for agency
 24-8 leadership that is designed to assist leadership with overseeing
 24-9 Medicaid and comparing the performance of managed care
 24-10 organizations participating in Medicaid. The dashboard must
 24-11 identify a concise number of important Medicaid indicators,
 24-12 including key data, performance measures, trends, and problems.

24-13 (b) Not later than March 1, 2016, the Health and Human
 24-14 Services Commission shall develop the dashboard required by Section
 24-15 531.02141(e), Government Code, as added by this article.

24-16 SECTION 2.11. Subchapter B, Chapter 531, Government Code,
 24-17 is amended by adding Section 531.02731 to read as follows:

24-18 Sec. 531.02731. REPORT OF INFORMATION RESOURCES MANAGER TO
 24-19 COMMISSION. (a) Notwithstanding Section 2054.075(b), the
 24-20 information resources manager of a health and human services agency
 24-21 shall report directly to the executive commissioner or a deputy
 24-22 executive commissioner designated by the executive commissioner.

24-23 (b) This section expires on the last day of the period
 24-24 prescribed by Section 531.02001(2).

24-25 SECTION 2.12. Section 531.102, Government Code, is amended
 24-26 by adding Subsections (p) and (q) to read as follows:

24-27 (p) In accordance with Section 533.015(b), the office shall
 24-28 consult with the executive commissioner regarding the adoption of
 24-29 rules defining the office's role in and jurisdiction over, and the
 24-30 frequency of, audits of managed care organizations participating in
 24-31 Medicaid that are conducted by the office and the commission.

24-32 (q) The office shall coordinate all audit and oversight
 24-33 activities, including the development of audit plans, risk
 24-34 assessments, and findings, with the commission to minimize the
 24-35 duplication of activities. In coordinating activities under this
 24-36 subsection, the office shall:

24-37 (1) on an annual basis, seek input from the commission
 24-38 and consider previous audits and onsite visits made by the
 24-39 commission for purposes of determining whether to audit a managed
 24-40 care organization participating in Medicaid; and

24-41 (2) request the results of any informal audit or
 24-42 onsite visit performed by the commission that could inform the
 24-43 office's risk assessment when determining whether to conduct, or
 24-44 the scope of, an audit of a managed care organization participating
 24-45 in Medicaid.

24-46 SECTION 2.13. (a) Section 531.1031(a), Government Code,
 24-47 as amended by S.B. 219, Acts of the 84th Legislature, Regular
 24-48 Session, 2015, is amended to read as follows:

24-49 (a) In this section and Sections 531.1032, 531.1033, and
 24-50 531.1034:

24-51 (1) "Health care professional" means a person issued a
 24-52 license[, registration, or certification] to engage in a health
 24-53 care profession.

24-54 (1-a) "License" means a license, certificate,
 24-55 registration, permit, or other authorization that:

24-56 (A) is issued by a licensing authority; and

24-57 (B) must be obtained before a person may practice
 24-58 or engage in a particular business, occupation, or profession.

24-59 (1-b) "Licensing authority" means a department,
 24-60 commission, board, office, or other agency of the state that issues
 24-61 a license.

24-62 (1-c) "Office" means the commission's office of
 24-63 inspector general unless a different meaning is plainly required by
 24-64 the context in which the term appears.

24-65 (2) "Participating agency" means:

24-66 (A) the Medicaid fraud enforcement divisions of
 24-67 the office of the attorney general;

24-68 (B) each licensing authority [board or agency]
 24-69 with authority to issue a license to[, register, regulate, or

25-1 ~~certify~~] a health care professional or managed care organization
 25-2 that may participate in Medicaid; and
 25-3 (C) the ~~[commission's]~~ office ~~[of inspector~~
 25-4 ~~general]~~.

25-5 (3) "Provider" has the meaning assigned by Section
 25-6 531.1011(10)(A).

25-7 (b) Subchapter C, Chapter 531, Government Code, is amended
 25-8 by adding Sections 531.1032, 531.1033, and 531.1034 to read as
 25-9 follows:

25-10 Sec. 531.1032. OFFICE OF INSPECTOR GENERAL: CRIMINAL
 25-11 HISTORY RECORD INFORMATION CHECK. (a) The office and each
 25-12 licensing authority that requires the submission of fingerprints
 25-13 for the purpose of conducting a criminal history record information
 25-14 check of a health care professional shall enter into a memorandum of
 25-15 understanding to ensure that only persons who are licensed and in
 25-16 good standing as health care professionals participate as providers
 25-17 in Medicaid. The memorandum under this section may be combined with
 25-18 a memorandum authorized under Section 531.1031(c-1) and must
 25-19 include a process by which:

25-20 (1) the office may confirm with a licensing authority
 25-21 that a health care professional is licensed and in good standing for
 25-22 purposes of determining eligibility to participate in Medicaid; and

25-23 (2) the licensing authority immediately notifies the
 25-24 office if:

25-25 (A) a provider's license has been revoked or
 25-26 suspended; or

25-27 (B) the licensing authority has taken
 25-28 disciplinary action against a provider.

25-29 (b) The office may not, for purposes of determining a health
 25-30 care professional's eligibility to participate in Medicaid as a
 25-31 provider, conduct a criminal history record information check of a
 25-32 health care professional who the office has confirmed under
 25-33 Subsection (a) is licensed and in good standing. This subsection
 25-34 does not prohibit the office from performing a criminal history
 25-35 record information check of a provider that is required or
 25-36 appropriate for other reasons, including for conducting an
 25-37 investigation of fraud, waste, or abuse.

25-38 (c) For purposes of determining eligibility to participate
 25-39 in Medicaid and subject to Subsection (d), the office, after
 25-40 seeking public input, shall establish and the executive
 25-41 commissioner by rule shall adopt guidelines for the evaluation of
 25-42 criminal history record information of providers and potential
 25-43 providers. The guidelines must outline conduct, by provider type,
 25-44 that may be contained in criminal history record information that
 25-45 will result in exclusion of a person from Medicaid as a provider,
 25-46 taking into consideration:

25-47 (1) the extent to which the underlying conduct relates
 25-48 to the services provided under Medicaid;

25-49 (2) the degree to which the person would interact with
 25-50 Medicaid recipients as a provider; and

25-51 (3) any previous evidence that the person engaged in
 25-52 fraud, waste, or abuse under Medicaid.

25-53 (d) The guidelines adopted under Subsection (c) may not
 25-54 impose stricter standards for the eligibility of a person to
 25-55 participate in Medicaid than a licensing authority described by
 25-56 Subsection (a) requires for the person to engage in a health care
 25-57 profession without restriction in this state.

25-58 (e) The office and the commission shall use the guidelines
 25-59 adopted under Subsection (c) to determine whether a provider
 25-60 participating in Medicaid continues to be eligible to participate
 25-61 in Medicaid as a provider.

25-62 (f) The provider enrollment contractor, if applicable, and
 25-63 a managed care organization participating in Medicaid shall defer
 25-64 to the office regarding whether a person's criminal history record
 25-65 information precludes the person from participating in Medicaid as
 25-66 a provider.

25-67 Sec. 531.1033. MONITORING OF CERTAIN FEDERAL DATABASES.
 25-68 The office shall routinely check appropriate federal databases,
 25-69 including databases referenced in 42 C.F.R. Section 455.436, to

26-1 ensure that a person who is excluded from participating in Medicaid
 26-2 or in the Medicare program by the federal government is not
 26-3 participating as a provider in Medicaid.

26-4 Sec. 531.1034. TIME TO DETERMINE PROVIDER ELIGIBILITY;
 26-5 PERFORMANCE METRICS. (a) Not later than the 10th day after the
 26-6 date the office receives the complete application of a health care
 26-7 professional seeking to participate in Medicaid, the office shall
 26-8 inform the commission or the health care professional, as
 26-9 appropriate, of the office's determination regarding whether the
 26-10 health care professional should be excluded from participating in
 26-11 Medicaid based on:

26-12 (1) information concerning the licensing status of the
 26-13 health care professional obtained as described by Section
 26-14 531.1032(a);

26-15 (2) information contained in the criminal history
 26-16 record information check that is evaluated in accordance with
 26-17 guidelines adopted under Section 531.1032(c);

26-18 (3) a review of federal databases under Section
 26-19 531.1033;

26-20 (4) the pendency of an open investigation by the
 26-21 office; or

26-22 (5) any other reason the office determines
 26-23 appropriate.

26-24 (b) Completion of an on-site visit of a health care
 26-25 professional during the period prescribed by Subsection (a) is not
 26-26 required.

26-27 (c) The office shall develop performance metrics to measure
 26-28 the length of time for conducting a determination described by
 26-29 Subsection (a) with respect to applications that are complete when
 26-30 submitted and all other applications.

26-31 (c) Not later than September 1, 2016, the executive
 26-32 commissioner of the Health and Human Services Commission shall
 26-33 adopt the guidelines required under Section 531.1032(c),
 26-34 Government Code, as added by this section.

26-35 SECTION 2.14. (a) Chapter 531, Government Code, is amended
 26-36 by adding Subchapter M to read as follows:

26-37 SUBCHAPTER M. COORDINATION OF QUALITY INITIATIVES

26-38 Sec. 531.451. OPERATIONAL PLAN TO COORDINATE INITIATIVES.

26-39 (a) The commission shall develop and implement a comprehensive,
 26-40 coordinated operational plan to ensure a consistent approach across
 26-41 the major quality initiatives of the health and human services
 26-42 system for improving the quality of health care.

26-43 (b) The operational plan developed under this section must
 26-44 include broad goals for the improvement of the quality of health
 26-45 care in this state, including health care services provided through
 26-46 Medicaid.

26-47 Sec. 531.452. REVISION OF MAJOR INITIATIVES.

26-48 Notwithstanding any other law, the commission shall revise major
 26-49 quality initiatives of the health and human services system in
 26-50 accordance with the operational plan and health care quality
 26-51 improvement goals developed under Section 531.451. To the extent
 26-52 it is possible, the commission shall ensure that outcome measure
 26-53 data is collected and reported consistently across all major
 26-54 quality initiatives to improve the evaluation of the initiatives'
 26-55 statewide impact.

26-56 Sec. 531.453. INCENTIVES FOR INITIATIVE COORDINATION. The
 26-57 commission shall consider and, if the commission determines it
 26-58 appropriate, develop incentives that promote coordination among
 26-59 the various major quality initiatives in accordance with this
 26-60 subchapter, including projects and initiatives approved under the
 26-61 Texas Health Care Transformation and Quality Improvement Program
 26-62 waiver issued under Section 1115 of the federal Social Security Act
 26-63 (42 U.S.C. Section 1315).

26-64 Sec. 531.454. RENEWAL OF FEDERAL AUTHORIZATION FOR MEDICAID
 26-65 REFORM. (a) When the commission seeks to renew the Texas Health
 26-66 Care Transformation and Quality Improvement Program waiver issued
 26-67 under Section 1115 of the federal Social Security Act (42 U.S.C.
 26-68 Section 1315), the commission shall, to the extent permitted under
 26-69 federal law:

27-1 (1) seek to reduce the number of approved project
 27-2 options that may be funded under the waiver using delivery system
 27-3 reform incentive payments to include only those projects that are:

27-4 (A) the most critical for improving the quality
 27-5 of health care, including behavioral health services; and

27-6 (B) consistent with the operational plan and
 27-7 health care quality improvement goals developed under Section
 27-8 531.451; and

27-9 (2) allow a delivery system reform incentive payment
 27-10 project that, as a result of Subdivision (1), is no longer an option
 27-11 under the waiver, to continue operating as long as the project meets
 27-12 funding requirements and outcome objectives.

27-13 (b) In reducing the number of approved project options under
 27-14 Subsection (a), the commission shall take into consideration the
 27-15 diversity of local and regional health care needs in this state.

27-16 (c) This section expires September 1, 2017.

27-17 (b) As soon as possible after the effective date of this
 27-18 article, the Health and Human Services Commission shall develop the
 27-19 operational plan and perform the other actions corresponding with
 27-20 the operational plan as required under Subchapter M, Chapter 531,
 27-21 Government Code, as added by this article.

27-22 SECTION 2.15. Section 533.00255(a), Government Code, is
 27-23 amended to read as follows:

27-24 (a) In this section, "behavioral health services" means
 27-25 mental health and substance abuse disorder services [~~other than~~
 27-26 ~~those provided through the NorthSTAR demonstration project~~].

27-27 SECTION 2.16. Subchapter A, Chapter 533, Government Code,
 27-28 is amended by adding Section 533.002551 to read as follows:

27-29 Sec. 533.002551. MONITORING OF COMPLIANCE WITH BEHAVIORAL
 27-30 HEALTH INTEGRATION. (a) In this section, "behavioral health
 27-31 services" has the meaning assigned by Section 533.00255.

27-32 (b) In monitoring contracts the commission enters into with
 27-33 managed care organizations under this chapter, the commission
 27-34 shall:

27-35 (1) ensure managed care organizations fully integrate
 27-36 behavioral health services into a recipient's primary care
 27-37 coordination;

27-38 (2) use performance audits and other oversight tools
 27-39 to improve monitoring of the provision and coordination of
 27-40 behavioral health services; and

27-41 (3) establish performance measures that may be used to
 27-42 determine the effectiveness of the integration of behavioral health
 27-43 services.

27-44 (c) In monitoring a managed care organization's compliance
 27-45 with behavioral health services integration requirements under
 27-46 this section, the commission shall give particular attention to a
 27-47 managed care organization that provides behavioral health services
 27-48 through a contract with a third party.

27-49 SECTION 2.17. Subchapter A, Chapter 533, Government Code,
 27-50 is amended by adding Section 533.0061 to read as follows:

27-51 Sec. 533.0061. FREQUENCY OF PROVIDER CREDENTIALING. A
 27-52 managed care organization that contracts with the commission to
 27-53 provide health care services to Medicaid recipients under a managed
 27-54 care plan issued by the organization shall formally recredential a
 27-55 physician or other provider with the frequency required by the
 27-56 single, consolidated Medicaid provider enrollment and
 27-57 credentialing process, if that process is created under Section
 27-58 531.02118. The required frequency of recredentialing may be less
 27-59 frequent than once in any three-year period, notwithstanding any
 27-60 other law.

27-61 SECTION 2.18. Subchapter A, Chapter 533, Government Code,
 27-62 is amended by adding Section 533.0077 to read as follows:

27-63 Sec. 533.0077. STATEWIDE EFFORT TO PROMOTE MAINTENANCE OF
 27-64 ELIGIBILITY. (a) The commission shall develop and implement a
 27-65 statewide effort to assist recipients who satisfy Medicaid
 27-66 eligibility requirements and who receive Medicaid services through
 27-67 a managed care organization with maintaining eligibility and
 27-68 avoiding lapses in coverage under Medicaid.

27-69 (b) As part of its effort under Subsection (a), the

28-1 commission shall:

28-2 (1) require each managed care organization providing
 28-3 health care services to recipients to assist those recipients with
 28-4 maintaining eligibility;

28-5 (2) if the commission determines it is cost-effective,
 28-6 develop specific strategies for assisting recipients who receive
 28-7 Supplemental Security Income (SSI) benefits under 42 U.S.C. Section
 28-8 1381 et seq. with maintaining eligibility; and

28-9 (3) ensure information that is relevant to a
 28-10 recipient's eligibility status is provided to the managed care
 28-11 organization through which the recipient receives Medicaid
 28-12 services.

28-13 SECTION 2.19. (a) Section 533.015, Government Code, as
 28-14 amended by S.B. 219, Acts of the 84th Legislature, Regular Session,
 28-15 2015, is amended to read as follows:

28-16 Sec. 533.015. COORDINATION OF EXTERNAL OVERSIGHT
 28-17 ACTIVITIES. (a) To the extent possible, the commission shall
 28-18 coordinate all external oversight activities to minimize
 28-19 duplication of oversight of managed care plans under Medicaid and
 28-20 disruption of operations under those plans.

28-21 (b) The executive commissioner, after consulting with the
 28-22 commission's office of inspector general, shall, by rule, define
 28-23 the commission's and office's roles in and jurisdiction over, and
 28-24 frequency of, audits of managed care organizations participating in
 28-25 Medicaid that are conducted by the commission and the commission's
 28-26 office of inspector general.

28-27 (c) In accordance with Section 531.102(g), the commission
 28-28 shall share with the commission's office of inspector general, at
 28-29 the request of the office, the results of any informal audit or
 28-30 onsite visit that could inform that office's risk assessment when
 28-31 determining whether to conduct, or the scope of, an audit of a
 28-32 managed care organization participating in Medicaid.

28-33 (b) Not later than September 1, 2016, the executive
 28-34 commissioner of the Health and Human Services Commission shall
 28-35 adopt rules required by Section 533.015(b), Government Code, as
 28-36 added by this article.

28-37 SECTION 2.20. Section 533.041(a), Government Code, as
 28-38 amended by S.B. 219, Acts of the 84th Legislature, Regular Session,
 28-39 2015, is amended to read as follows:

28-40 (a) The executive commissioner shall appoint a state
 28-41 Medicaid managed care advisory committee. The advisory committee
 28-42 consists of representatives of:

28-43 (1) hospitals;

28-44 (2) managed care organizations and participating
 28-45 health care providers;

28-46 (3) primary care providers and specialty care
 28-47 providers;

28-48 (4) state agencies;

28-49 (5) low-income recipients or consumer advocates
 28-50 representing low-income recipients;

28-51 (6) recipients with disabilities, including
 28-52 recipients with an intellectual or developmental disability or with
 28-53 physical disabilities, or consumer advocates representing those
 28-54 recipients;

28-55 (7) parents of children who are recipients;

28-56 (8) rural providers;

28-57 (9) advocates for children with special health care
 28-58 needs;

28-59 (10) pediatric health care providers, including
 28-60 specialty providers;

28-61 (11) long-term services and supports providers,
 28-62 including nursing facility providers and direct service workers;

28-63 (12) obstetrical care providers;

28-64 (13) community-based organizations serving low-income
 28-65 children and their families;

28-66 (14) community-based organizations engaged in
 28-67 perinatal services and outreach;

28-68 (15) recipients who are 65 years of age or older;

28-69 (16) recipients with mental illness;

29-1 (17) nonphysician mental health providers
 29-2 participating in the Medicaid managed care program; and

29-3 (18) entities with responsibilities for the delivery
 29-4 of long-term services and supports or other Medicaid service
 29-5 delivery, including:

29-6 (A) independent living centers;
 29-7 (B) area agencies on aging;
 29-8 (C) aging and disability resource centers
 29-9 established under the Aging and Disability Resource Center
 29-10 initiative funded in part by the federal Administration on Aging
 29-11 and the Centers for Medicare and Medicaid Services; and

29-12 (D) community mental health and intellectual
 29-13 disability centers[~~and~~

29-14 [~~(E) the NorthSTAR Behavioral Health Program~~
 29-15 ~~provided under Chapter 534, Health and Safety Code].~~

29-16 SECTION 2.21. (a) Chapter 533, Government Code, is amended
 29-17 by adding Subchapter E to read as follows:

29-18 SUBCHAPTER E. PILOT PROGRAM TO INCREASE INCENTIVE-BASED PROVIDER
 29-19 PAYMENTS

29-20 Sec. 533.081. DEFINITION. In this subchapter, "pilot
 29-21 program" means the pilot program to increase incentive-based
 29-22 provider payments established under Section 533.082.

29-23 Sec. 533.082. PILOT PROGRAM TO INCREASE INCENTIVE-BASED
 29-24 PROVIDER PAYMENTS. With the assistance of the work group
 29-25 established under Section 533.083, the commission shall develop a
 29-26 pilot program to increase the use and effectiveness of
 29-27 incentive-based provider payments by managed care organizations
 29-28 providing services under the Medicaid managed care program. The
 29-29 pilot program must:

29-30 (1) be operated in one managed care service delivery
 29-31 area selected in accordance with Section 533.083(a)(1)(A);

29-32 (2) require all managed care organizations in the
 29-33 selected service delivery area to participate in the program; and

29-34 (3) pilot incentive-based provider payment structures
 29-35 determined in accordance with Section 533.083(a)(2).

29-36 Sec. 533.083. PILOT PROGRAM DEVELOPMENT WORK GROUP.
 29-37 (a) The executive commissioner shall establish a work group to
 29-38 assist the commission with developing the pilot program required
 29-39 under this subchapter. The work group shall assist the commission
 29-40 with:

29-41 (1) selecting:
 29-42 (A) the managed care service delivery area in
 29-43 which the pilot program will be implemented; and

29-44 (B) managed care programs to be included in the
 29-45 pilot program;

29-46 (2) determining the types of incentive-based provider
 29-47 payment structures to pilot and the services that most
 29-48 appropriately fit into those payment structures; and

29-49 (3) determining a timeline for implementation of the
 29-50 pilot program that requires implementation to begin not later than
 29-51 January 1, 2017.

29-52 (b) The executive commissioner shall determine the number
 29-53 of members of the work group and ensure that the work group consists
 29-54 of representatives from:

29-55 (1) the commission;

29-56 (2) managed care organizations providing services
 29-57 under the Medicaid managed care program; and

29-58 (3) professional associations composed of health care
 29-59 providers.

29-60 (c) A member of the work group serves at the pleasure of the
 29-61 executive commissioner and without compensation.

29-62 Sec. 533.084. ASSESSMENT AND IMPLEMENTATION OF PILOT
 29-63 PROGRAM FINDINGS. Not later than September 1, 2018, and
 29-64 notwithstanding any other law, the commission shall:

29-65 (1) based on the results of the pilot program,
 29-66 identify which types of incentive-based provider payment
 29-67 structures are most appropriate for statewide implementation and
 29-68 the services that can be provided under those structures; and

29-69 (2) require that a managed care organization that has

30-1 contracted with the commission to provide health care services to
 30-2 recipients implement the payment structures identified under
 30-3 Subdivision (1).

30-4 Sec. 533.085. EXPIRATION. Sections 533.081, 533.082, and
 30-5 533.083 and this section expire September 1, 2018.

30-6 (b) As soon as possible after the effective date of this
 30-7 article, the executive commissioner of the Health and Human
 30-8 Services Commission shall establish the work group and the
 30-9 commission shall develop the pilot program required under
 30-10 Subchapter E, Chapter 533, Government Code, as added by this
 30-11 article.

30-12 (c) The Health and Human Services Commission, in a contract
 30-13 between the commission and a managed care organization under
 30-14 Chapter 533, Government Code, that is entered into or renewed on or
 30-15 after September 1, 2018, shall require that the managed care
 30-16 organization implement the incentive-based provider payment
 30-17 structures identified by the commission under Section 533.084,
 30-18 Government Code, as added by this article.

30-19 (d) The Health and Human Services Commission shall seek to
 30-20 amend contracts entered into with managed care organizations under
 30-21 Chapter 533, Government Code, before September 1, 2018, to require
 30-22 that those managed care organizations implement the
 30-23 incentive-based provider payment structures identified by the
 30-24 commission under Section 533.084, Government Code, as added by this
 30-25 article. To the extent of a conflict between that section and a
 30-26 provision of a contract with a managed care organization entered
 30-27 into before September 1, 2018, the contract provision prevails.

30-28 SECTION 2.22. Section 1001.080(b), Health and Safety Code,
 30-29 is amended to read as follows:

30-30 (b) This section applies to health or mental health
 30-31 benefits, services, or assistance provided by the department that
 30-32 the department anticipates will be impacted by a health insurance
 30-33 exchange as defined by Section 1001.081(a), including:

30-34 (1) community primary health care services provided
 30-35 under Chapter 31;

30-36 (2) women's and children's health services provided
 30-37 under Chapter 32;

30-38 (3) services for children with special health care
 30-39 needs provided under Chapter 35;

30-40 (4) epilepsy program assistance provided under
 30-41 Chapter 40;

30-42 (5) hemophilia program assistance provided under
 30-43 Chapter 41;

30-44 (6) kidney health care services provided under Chapter
 30-45 42;

30-46 (7) human immunodeficiency virus infection and
 30-47 sexually transmitted disease prevention programs and services
 30-48 provided under Chapter 85;

30-49 (8) immunization programs provided under Chapter 161;

30-50 (9) programs and services provided by the Rio Grande
 30-51 State Center under Chapter 252;

30-52 (10) mental health services for adults provided under
 30-53 Chapter 534;

30-54 (11) mental health services for children provided
 30-55 under Chapter 534;

30-56 (12) ~~[the NorthSTAR Behavioral Health Program
 30-57 provided under Chapter 534,~~

30-58 ~~[(13)]~~ programs and services provided by community
 30-59 mental health hospitals under Chapter 552;

30-60 ~~[(14)]~~ programs and services provided by state
 30-61 mental health hospitals under Chapter 552; and

30-62 ~~[(15)]~~ any other health or mental health program
 30-63 or service designated by the department.

30-64 SECTION 2.23. Section 1001.201(2), Health and Safety Code,
 30-65 as added by Chapter 1306 (H.B. 3793), Acts of the 83rd Legislature,
 30-66 Regular Session, 2013, is amended to read as follows:

30-67 (2) "Local mental health authority" has the meaning
 30-68 assigned by Section 531.002 ~~[and includes the local behavioral
 30-69 health authority for the NorthSTAR Behavioral Health Program].~~

ARTICLE 3. HEALTH AND HUMAN SERVICES SYSTEM ADVISORY ENTITIES

SECTION 3.01. Section 262.353(d), Family Code, is amended to read as follows:

(d) Not later than September 30, 2014, the department and the Department of State Health Services shall file a report with the legislature [~~and the Council on Children and Families~~] on the results of the study required by Subsection (a). The report must include:

- (1) each option to prevent relinquishment of parental custody that was considered during the study;
- (2) each option recommended for implementation, if any;
- (3) each option that is implemented using existing resources;
- (4) any policy or statutory change needed to implement a recommended option;
- (5) the fiscal impact of implementing each option, if any;
- (6) the estimated number of children and families that may be affected by the implementation of each option; and
- (7) any other significant information relating to the study.

SECTION 3.02. (a) Section 531.012, Government Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, is amended to read as follows:

Sec. 531.012. ADVISORY COMMITTEES. (a) The executive commissioner shall establish and maintain [may appoint] advisory committees to consider issues and solicit public input across all major areas of the health and human services system, including relating to the following issues:

- (1) Medicaid and other social services programs;
- (2) managed care under Medicaid and the child health plan program;
- (3) health care quality initiatives;
- (4) aging;
- (5) persons with disabilities, including persons with autism;
- (6) rehabilitation, including for persons with brain injuries;
- (7) children;
- (8) public health;
- (9) behavioral health;
- (10) regulatory matters;
- (11) protective services;
- (12) prevention efforts; and
- (13) faith- and community-based initiatives.

(b) Chapter 2110 applies to an advisory committee established under this section.

(c) The executive commissioner shall adopt rules:

- (1) in compliance with Chapter 2110 to govern an advisory committee's purpose, tasks, reporting requirements, and date of abolition; and
- (2) related to an advisory committee's:
 - (A) size and quorum requirements;
 - (B) membership, including:
 - (i) qualifications to be a member, including any experience requirements;
 - (ii) required geographic representation;
 - (iii) appointment procedures; and
 - (iv) terms of members; and
 - (C) duty to comply with the requirements for open meetings under Chapter 551.

(d) An advisory committee established under this section shall report any recommendations to the executive commissioner at a meeting of the Health and Human Services Commission Executive Council established under Section 531.0051 [as needed].

(b) Not later than March 1, 2016, the executive commissioner of the Health and Human Services Commission shall adopt rules under Section 531.012, Government Code, as amended by this article.

32-1 SECTION 3.03. Subchapter A, Chapter 531, Government Code,
32-2 is amended by adding Section 531.0121 to read as follows:

32-3 Sec. 531.0121. PUBLIC ACCESS TO ADVISORY COMMITTEE
32-4 MEETINGS. (a) This section applies to an advisory committee
32-5 established under Section 531.012.

32-6 (b) The commission shall create a master calendar that
32-7 includes all advisory committee meetings across the health and
32-8 human services system.

32-9 (c) The commission shall make available on the commission's
32-10 Internet website:

32-11 (1) the master calendar;

32-12 (2) all meeting materials for an advisory committee
32-13 meeting; and

32-14 (3) streaming live video of each advisory committee
32-15 meeting.

32-16 (d) The commission shall provide Internet access in each
32-17 room used for a meeting that appears on the master calendar.

32-18 SECTION 3.04. Section 531.0216(b), Government Code, is
32-19 amended to read as follows:

32-20 (b) In developing the system, the executive commissioner by
32-21 rule shall:

32-22 (1) review programs and pilot projects in other states
32-23 to determine the most effective method for reimbursement;

32-24 (2) establish billing codes and a fee schedule for
32-25 services;

32-26 (3) provide for an approval process before a provider
32-27 can receive reimbursement for services;

32-28 (4) consult with the Department of State Health
32-29 Services [~~and the telemedicine and telehealth advisory committee~~]
32-30 to establish procedures to:

32-31 (A) identify clinical evidence supporting
32-32 delivery of health care services using a telecommunications system;
32-33 and

32-34 (B) annually review health care services,
32-35 considering new clinical findings, to determine whether
32-36 reimbursement for particular services should be denied or
32-37 authorized;

32-38 (5) establish a separate provider identifier for
32-39 telemedicine medical services providers, telehealth services
32-40 providers, and home telemonitoring services providers; and

32-41 (6) establish a separate modifier for telemedicine
32-42 medical services, telehealth services, and home telemonitoring
32-43 services eligible for reimbursement.

32-44 SECTION 3.05. Section 531.02443(e), Government Code, as
32-45 amended by S.B. 219, Acts of the 84th Legislature, Regular Session,
32-46 2015, is amended to read as follows:

32-47 (e) The department, with the advice and assistance of [~~the~~
32-48 ~~interagency task force on ensuring appropriate care settings for~~
32-49 ~~persons with disabilities and~~] representatives of family members or
32-50 legally authorized representatives of adult residents, persons
32-51 with an intellectual disability, state supported living centers,
32-52 and local intellectual and developmental disability authorities,
32-53 shall:

32-54 (1) develop an effective community living options
32-55 information process;

32-56 (2) create uniform procedures for the implementation
32-57 of the community living options information process; and

32-58 (3) minimize any potential conflict of interest
32-59 regarding the community living options information process between
32-60 a state supported living center and an adult resident, an adult
32-61 resident's legally authorized representative, or a local
32-62 intellectual and developmental disability authority.

32-63 SECTION 3.06. Section 531.051(c), Government Code, as
32-64 amended by S.B. 219, Acts of the 84th Legislature, Regular Session,
32-65 2015, is amended to read as follows:

32-66 (c) In adopting rules for the consumer direction models, the
32-67 executive commissioner shall:

32-68 (1) [~~with assistance from the work group established~~
32-69 ~~under Section 531.052,~~] determine which services are appropriate

33-1 and suitable for delivery through consumer direction;

33-2 (2) ensure that each consumer direction model is

33-3 designed to comply with applicable federal and state laws;

33-4 (3) maintain procedures to ensure that a potential

33-5 consumer or the consumer's legally authorized representative has

33-6 adequate and appropriate information, including the

33-7 responsibilities of a consumer or representative under each service

33-8 delivery option, to make an informed choice among the types of

33-9 consumer direction models;

33-10 (4) require each consumer or the consumer's legally

33-11 authorized representative to sign a statement acknowledging

33-12 receipt of the information required by Subdivision (3);

33-13 (5) maintain procedures to monitor delivery of

33-14 services through consumer direction to ensure:

33-15 (A) adherence to existing applicable program

33-16 standards;

33-17 (B) appropriate use of funds; and

33-18 (C) consumer satisfaction with the delivery of

33-19 services;

33-20 (6) ensure that authorized program services that are

33-21 not being delivered to a consumer through consumer direction are

33-22 provided by a provider agency chosen by the consumer or the

33-23 consumer's legally authorized representative; and

33-24 (7) ~~[work in conjunction with the work group~~

33-25 ~~established under Section 531.052 to]~~ set a timetable to complete

33-26 the implementation of the consumer direction models.

33-27 SECTION 3.07. Section 531.067, Government Code, as amended

33-28 by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, is

33-29 amended to read as follows:

33-30 Sec. 531.067. PROGRAM TO IMPROVE AND MONITOR CERTAIN

33-31 OUTCOMES OF RECIPIENTS UNDER CHILD HEALTH PLAN PROGRAM AND MEDICAID

33-32 ~~[PUBLIC ASSISTANCE HEALTH BENEFIT REVIEW AND DESIGN COMMITTEE].~~

33-33 ~~The [(a) The commission shall appoint a Public Assistance Health~~

33-34 ~~Benefit Review and Design Committee. The committee consists of~~

33-35 ~~nine representatives of health care providers participating in~~

33-36 ~~Medicaid or the child health plan program, or both. The committee~~

33-37 ~~membership must include at least three representatives from each~~

33-38 ~~program.~~

33-39 ~~[(b) The executive commissioner shall designate one member~~

33-40 ~~to serve as presiding officer for a term of two years.~~

33-41 ~~[(c) The committee shall meet at the call of the presiding~~

33-42 ~~officer.~~

33-43 ~~[(d) The committee shall review and provide recommendations~~

33-44 ~~to the commission regarding health benefits and coverages provided~~

33-45 ~~under Medicaid, the child health plan program, and any other~~

33-46 ~~income-based health care program administered by the commission or~~

33-47 ~~a health and human services agency. In performing its duties under~~

33-48 ~~this subsection, the committee must:~~

33-49 ~~[(1) review benefits provided under each of the~~

33-50 ~~programs; and~~

33-51 ~~[(2) review procedures for addressing high~~

33-52 ~~utilization of benefits by recipients.~~

33-53 ~~[(e) The commission shall provide administrative support~~

33-54 ~~and resources as necessary for the committee to perform its duties~~

33-55 ~~under this section.~~

33-56 ~~[(f) Section 2110.008 does not apply to the committee.~~

33-57 ~~[(g) In performing the duties under this section, the]~~

33-58 ~~commission may design and implement a program to improve and~~

33-59 ~~monitor clinical and functional outcomes of a recipient of services~~

33-60 ~~under Medicaid or the state child health plan program. The program~~

33-61 ~~may use financial, clinical, and other criteria based on pharmacy,~~

33-62 ~~medical services, and other claims data related to Medicaid or the~~

33-63 ~~child health plan program. [The commission must report to the~~

33-64 ~~committee on the fiscal impact, including any savings associated~~

33-65 ~~with the strategies utilized under this section.]~~

33-66 SECTION 3.08. (a) Section 531.0691, Government Code, as

33-67 amended by S.B. 219, Acts of the 84th Legislature, Regular Session,

33-68 2015, is redesignated as Section 531.0735, Government Code, to read

33-69 as follows:

34-1 Sec. 531.0735 [~~531.0691~~]. MEDICAID DRUG UTILIZATION REVIEW
34-2 PROGRAM: DRUG USE REVIEWS AND ANNUAL REPORT. (a) In this section:
34-3 (1) "Medicaid Drug Utilization Review Program" means
34-4 the program operated by the vendor drug program to improve the
34-5 quality of pharmaceutical care under Medicaid.

34-6 (2) "Prospective drug use review" means the review of
34-7 a patient's drug therapy and prescription drug order or medication
34-8 order before dispensing or distributing a drug to the patient.

34-9 (3) "Retrospective drug use review" means the review
34-10 of prescription drug claims data to identify patterns of
34-11 prescribing.

34-12 (b) The commission shall provide for an increase in the
34-13 number and types of retrospective drug use reviews performed each
34-14 year under the Medicaid Drug Utilization Review Program, in
34-15 comparison to the number and types of reviews performed in the state
34-16 fiscal year ending August 31, 2009.

34-17 (c) In determining the number and types of drug use reviews
34-18 to be performed, the commission shall:

34-19 (1) allow for the repeat of retrospective drug use
34-20 reviews that address ongoing drug therapy problems and that, in
34-21 previous years, improved client outcomes and reduced Medicaid
34-22 spending;

34-23 (2) consider implementing disease-specific
34-24 retrospective drug use reviews that address ongoing drug therapy
34-25 problems in this state and that reduced Medicaid prescription drug
34-26 use expenditures in other states; and

34-27 (3) regularly examine Medicaid prescription drug
34-28 claims data to identify occurrences of potential drug therapy
34-29 problems that may be addressed by repeating successful
34-30 retrospective drug use reviews performed in this state and other
34-31 states.

34-32 (d) In addition to any other information required by federal
34-33 law, the commission shall include the following information in the
34-34 annual report regarding the Medicaid Drug Utilization Review
34-35 Program:

34-36 (1) a detailed description of the program's
34-37 activities; and

34-38 (2) estimates of cost savings anticipated to result
34-39 from the program's performance of prospective and retrospective
34-40 drug use reviews.

34-41 (e) The cost-saving estimates for prospective drug use
34-42 reviews under Subsection (d) must include savings attributed to
34-43 drug use reviews performed through the vendor drug program's
34-44 electronic claims processing system and clinical edits screened
34-45 through the prior authorization system implemented under Section
34-46 531.073.

34-47 (f) The commission shall post the annual report regarding
34-48 the Medicaid Drug Utilization Review Program on the commission's
34-49 website.

34-50 (b) Subchapter B, Chapter 531, Government Code, is amended
34-51 by adding Section 531.0736 to read as follows:

34-52 Sec. 531.0736. DRUG UTILIZATION REVIEW BOARD. (a) In this
34-53 section, "board" means the Drug Utilization Review Board.

34-54 (b) In addition to performing any other duties required by
34-55 federal law, the board shall:

34-56 (1) develop and submit to the commission
34-57 recommendations for preferred drug lists adopted by the commission
34-58 under Section 531.072;

34-59 (2) suggest to the commission restrictions or clinical
34-60 edits on prescription drugs;

34-61 (3) recommend to the commission educational
34-62 interventions for Medicaid providers;

34-63 (4) review drug utilization across Medicaid; and

34-64 (5) perform other duties that may be specified by law
34-65 and otherwise make recommendations to the commission.

34-66 (c) The executive commissioner shall determine the
34-67 composition of the board, which must:

34-68 (1) comply with applicable federal law, including 42
34-69 C.F.R. Section 456.716; and

35-1 (2) include two representatives of managed care
35-2 organizations as nonvoting members, one of whom must be a physician
35-3 and one of whom must be a pharmacist.

35-4 (d) Members appointed under Subsection (c)(2) may attend
35-5 quarterly and other regularly scheduled meetings, but may not:

35-6 (1) attend executive sessions; or

35-7 (2) otherwise access confidential drug pricing
35-8 information.

35-9 (e) Members of the board serve staggered four-year terms.

35-10 (f) The voting members of the board shall elect from among
35-11 the voting members a presiding officer.

35-12 (g) The board shall hold a public meeting quarterly at the
35-13 call of the presiding officer and shall permit public comment
35-14 before voting on any changes in the preferred drug lists. The board
35-15 shall hold public meetings at other times at the call of the
35-16 presiding officer. Minutes of each meeting shall be made available
35-17 to the public not later than the 10th business day after the date
35-18 the minutes are approved. The board may meet in executive session
35-19 to discuss confidential information as described by Subsection (i).

35-20 (h) In developing its recommendations for the preferred
35-21 drug lists, the board shall consider the clinical efficacy, safety,
35-22 and cost-effectiveness of and any program benefit associated with a
35-23 product.

35-24 (i) The executive commissioner shall adopt rules governing
35-25 the operation of the board, including rules governing the
35-26 procedures used by the board for providing notice of a meeting and
35-27 rules prohibiting the board from discussing confidential
35-28 information described by Section 531.071 in a public meeting. The
35-29 board shall comply with the rules adopted under this subsection and
35-30 Subsection (j).

35-31 (j) In addition to the rules under Subsection (i), the
35-32 executive commissioner by rule shall require the board or the
35-33 board's designee to present a summary of any clinical efficacy and
35-34 safety information or analyses regarding a drug under consideration
35-35 for a preferred drug list that is provided to the board by a private
35-36 entity that has contracted with the commission to provide the
35-37 information. The board or the board's designee shall provide the
35-38 summary in electronic form before the public meeting at which
35-39 consideration of the drug occurs. Confidential information
35-40 described by Section 531.071 must be omitted from the summary. The
35-41 summary must be posted on the commission's Internet website.

35-42 (k) To the extent feasible, the board shall review all drug
35-43 classes included in the preferred drug lists adopted under Section
35-44 531.072 at least once every 12 months and may recommend inclusions
35-45 to and exclusions from the lists to ensure that the lists provide
35-46 for cost-effective medically appropriate drug therapies for
35-47 Medicaid recipients, children receiving health benefits coverage
35-48 under the child health plan program, and any other affected
35-49 individuals.

35-50 (l) The commission shall provide administrative support and
35-51 resources as necessary for the board to perform its duties.

35-52 (m) Chapter 2110 does not apply to the board.

35-53 (n) The commission or the commission's agent shall publicly
35-54 disclose, immediately after the board's deliberations conclude,
35-55 each specific drug recommended for or against preferred drug list
35-56 status for each drug class included in the preferred drug list for
35-57 the Medicaid vendor drug program. The disclosure must be posted on
35-58 the commission's Internet website not later than the 10th business
35-59 day after the date of conclusion of board deliberations that result
35-60 in recommendations made to the executive commissioner regarding the
35-61 placement of drugs on the preferred drug list. The public
35-62 disclosure must include:

35-63 (1) the general basis for the recommendation for each
35-64 drug class; and

35-65 (2) for each recommendation, whether a supplemental
35-66 rebate agreement or a program benefit agreement was reached under
35-67 Section 531.070.

35-68 (c) Section 531.0692, Government Code, is redesignated as
35-69 Section 531.0737, Government Code, and amended to read as follows:

36-1 Sec. 531.0737 [~~531.0692~~]. [~~MEDICAID~~] DRUG UTILIZATION
 36-2 REVIEW BOARD: CONFLICTS OF INTEREST. (a) A member of the [~~board~~
 36-3 ~~of the Medicaid~~] Drug Utilization Review Board [~~Program~~] may not
 36-4 have a contractual relationship, ownership interest, or other
 36-5 conflict of interest with a pharmaceutical manufacturer or labeler
 36-6 or with an entity engaged by the commission to assist in the
 36-7 administration of the Medicaid Drug Utilization Review Program.

36-8 (b) The executive commissioner may implement this section
 36-9 by adopting rules that identify prohibited relationships and
 36-10 conflicts or requiring the board to develop a conflict-of-interest
 36-11 policy that applies to the board.

36-12 (d) Sections 531.072(c) and (e), Government Code, are
 36-13 amended to read as follows:

36-14 (c) In making a decision regarding the placement of a drug
 36-15 on each of the preferred drug lists, the commission shall consider:

36-16 (1) the recommendations of the Drug Utilization Review
 36-17 Board [~~Pharmaceutical and Therapeutics Committee established~~]
 36-18 under Section 531.0736 [~~531.074~~];

36-19 (2) the clinical efficacy of the drug;

36-20 (3) the price of competing drugs after deducting any
 36-21 federal and state rebate amounts; and

36-22 (4) program benefit offerings solely or in conjunction
 36-23 with rebates and other pricing information.

36-24 (e) In this subsection, "labeler" and "manufacturer" have
 36-25 the meanings assigned by Section 531.070. The commission shall
 36-26 ensure that:

36-27 (1) a manufacturer or labeler may submit written
 36-28 evidence supporting the inclusion of a drug on the preferred drug
 36-29 lists before a supplemental agreement is reached with the
 36-30 commission; and

36-31 (2) any drug that has been approved or has had any of
 36-32 its particular uses approved by the United States Food and Drug
 36-33 Administration under a priority review classification will be
 36-34 reviewed by the Drug Utilization Review Board [~~Pharmaceutical and~~
 36-35 ~~Therapeutics Committee~~] at the next regularly scheduled meeting of
 36-36 the board [~~committee~~]. On receiving notice from a manufacturer or
 36-37 labeler of the availability of a new product, the commission, to the
 36-38 extent possible, shall schedule a review for the product at the next
 36-39 regularly scheduled meeting of the board [~~committee~~].

36-40 (e) Section 531.073(b), Government Code, is amended to read
 36-41 as follows:

36-42 (b) The commission shall establish procedures for the prior
 36-43 authorization requirement under the Medicaid vendor drug program to
 36-44 ensure that the requirements of 42 U.S.C. Section 1396r-8(d)(5) and
 36-45 its subsequent amendments are met. Specifically, the procedures
 36-46 must ensure that:

36-47 (1) a prior authorization requirement is not imposed
 36-48 for a drug before the drug has been considered at a meeting of the
 36-49 Drug Utilization Review Board [~~Pharmaceutical and Therapeutics~~
 36-50 ~~Committee established~~] under Section 531.0736 [~~531.074~~];

36-51 (2) there will be a response to a request for prior
 36-52 authorization by telephone or other telecommunications device
 36-53 within 24 hours after receipt of a request for prior authorization;
 36-54 and

36-55 (3) a 72-hour supply of the drug prescribed will be
 36-56 provided in an emergency or if the commission does not provide a
 36-57 response within the time required by Subdivision (2).

36-58 (f) Section 531.0741, Government Code, is amended to read as
 36-59 follows:

36-60 Sec. 531.0741. PUBLICATION OF INFORMATION REGARDING
 36-61 COMMISSION DECISIONS ON PREFERRED DRUG LIST PLACEMENT. The
 36-62 commission shall publish on the commission's Internet website any
 36-63 decisions on preferred drug list placement, including:

36-64 (1) a list of drugs reviewed and the commission's
 36-65 decision for or against placement on a preferred drug list of each
 36-66 drug reviewed;

36-67 (2) for each recommendation, whether a supplemental
 36-68 rebate agreement or a program benefit agreement was reached under
 36-69 Section 531.070; and

37-1 (3) the rationale for any departure from a
 37-2 recommendation of the Drug Utilization Review Board
 37-3 [~~pharmaceutical and therapeutics committee established~~] under
 37-4 Section 531.0736 [~~531.074~~].

37-5 (g) Section 531.074, Government Code, as amended by S.B.
 37-6 219, Acts of the 84th Legislature, Regular Session, 2015, is
 37-7 repealed.

37-8 (h) The term of a member serving on the Medicaid Drug
 37-9 Utilization Review Board on September 1, 2015, expires on that
 37-10 date. Not later than September 1, 2015, the executive commissioner
 37-11 of the Health and Human Services Commission shall appoint members
 37-12 to the Drug Utilization Review Board in accordance with Section
 37-13 531.0736, Government Code, as added by this article, for terms
 37-14 beginning September 2, 2015. In making the initial appointments
 37-15 and notwithstanding Section 531.0736(e), Government Code, as added
 37-16 by this article, the executive commissioner shall designate as
 37-17 close to one-half as possible of the members to serve for terms
 37-18 expiring September 1, 2017, and the remaining members to serve for
 37-19 terms expiring September 1, 2019.

37-20 (i) Not later than January 1, 2016, the executive
 37-21 commissioner of the Health and Human Services Commission shall
 37-22 adopt or amend rules as necessary to reflect the changes in law made
 37-23 to the Drug Utilization Review Board under Section 531.0736,
 37-24 Government Code, as added by this article, including rules that
 37-25 reflect the changes to the board's functions and composition.

37-26 SECTION 3.09. The heading to Subchapter D, Chapter 531,
 37-27 Government Code, is amended to read as follows:

37-28 SUBCHAPTER D. PLAN TO SUPPORT GUARDIANSHIPS [~~GUARDIANSHIP~~
 37-29 ~~ADVISORY BOARD~~]

37-30 SECTION 3.10. Section 531.124, Government Code, is amended
 37-31 to read as follows:

37-32 Sec. 531.124. COMMISSION DUTIES. ~~The [(a) With the advice~~
 37-33 ~~of the advisory board, the]~~ commission shall develop and, subject
 37-34 to appropriations, implement a plan to:

37-35 (1) ensure that each incapacitated individual in this
 37-36 state who needs a guardianship or another less restrictive type of
 37-37 assistance to make decisions concerning the incapacitated
 37-38 individual's own welfare and financial affairs receives that
 37-39 assistance; and

37-40 (2) foster the establishment and growth of local
 37-41 volunteer guardianship programs.

37-42 [~~(b) The advisory board shall biennially review and comment~~
 37-43 ~~on the minimum standards adopted under Section 111.041 and the plan~~
 37-44 ~~implemented under Subsection (a) and shall include its conclusions~~
 37-45 ~~in the report submitted under Section 531.1235.]~~

37-46 SECTION 3.11. Section 531.159(f), Government Code, as
 37-47 amended by S.B. 219, Acts of the 84th Legislature, Regular Session,
 37-48 2015, is amended to read as follows:

37-49 (f) The executive commissioner by rule shall develop
 37-50 procedures by which to conduct the reviews required by Subsections
 37-51 (c), (d), and (e). [~~In developing the procedures, the commission~~
 37-52 ~~may seek input from the work group on children's long-term~~
 37-53 ~~services, health services, and mental health services established~~
 37-54 ~~under Section 22.035, Human Resources Code.]~~

37-55 SECTION 3.12. Section 531.907(a), Government Code, as
 37-56 amended by S.B. 219, Acts of the 84th Legislature, Regular Session,
 37-57 2015, is amended to read as follows:

37-58 (a) Based on [~~the recommendations of the advisory committee~~
 37-59 ~~established under Section 531.904 and]~~ feedback provided by
 37-60 interested parties, the commission in stage two of implementing the
 37-61 health information exchange system may expand the system by:

37-62 (1) providing an electronic health record for each
 37-63 child enrolled in the child health plan program;

37-64 (2) including state laboratory results information in
 37-65 an electronic health record, including the results of newborn
 37-66 screenings and tests conducted under the Texas Health Steps
 37-67 program, based on the system developed for the health passport
 37-68 under Section 266.006, Family Code;

37-69 (3) improving data-gathering capabilities for an

38-1 electronic health record so that the record may include basic
 38-2 health and clinical information in addition to available claims
 38-3 information, as determined by the executive commissioner;

38-4 (4) using evidence-based technology tools to create a
 38-5 unique health profile to alert health care providers regarding the
 38-6 need for additional care, education, counseling, or health
 38-7 management activities for specific patients; and

38-8 (5) continuing to enhance the electronic health record
 38-9 created for each Medicaid recipient as technology becomes available
 38-10 and interoperability capabilities improve.

38-11 SECTION 3.13. Section 531.909, Government Code, is amended
 38-12 to read as follows:

38-13 Sec. 531.909. INCENTIVES. The commission [~~and the advisory~~
 38-14 ~~committee established under Section 531.904~~] shall develop
 38-15 strategies to encourage health care providers to use the health
 38-16 information exchange system, including incentives, education, and
 38-17 outreach tools to increase usage.

38-18 SECTION 3.14. Section 533.00251(c), Government Code, as
 38-19 amended by S.B. 219, Acts of the 84th Legislature, Regular Session,
 38-20 2015, is amended to read as follows:

38-21 (c) Subject to Section 533.0025 and notwithstanding any
 38-22 other law, the commission [~~, in consultation with the advisory~~
 38-23 ~~committee,~~] shall provide benefits under Medicaid to recipients who
 38-24 reside in nursing facilities through the STAR + PLUS Medicaid
 38-25 managed care program. In implementing this subsection, the
 38-26 commission shall ensure:

38-27 (1) that the commission is responsible for setting the
 38-28 minimum reimbursement rate paid to a nursing facility under the
 38-29 managed care program, including the staff rate enhancement paid to
 38-30 a nursing facility that qualifies for the enhancement;

38-31 (2) that a nursing facility is paid not later than the
 38-32 10th day after the date the facility submits a clean claim;

38-33 (3) the appropriate utilization of services
 38-34 consistent with criteria established by the commission;

38-35 (4) a reduction in the incidence of potentially
 38-36 preventable events and unnecessary institutionalizations;

38-37 (5) that a managed care organization providing
 38-38 services under the managed care program provides discharge
 38-39 planning, transitional care, and other education programs to
 38-40 physicians and hospitals regarding all available long-term care
 38-41 settings;

38-42 (6) that a managed care organization providing
 38-43 services under the managed care program:

38-44 (A) assists in collecting applied income from
 38-45 recipients; and

38-46 (B) provides payment incentives to nursing
 38-47 facility providers that reward reductions in preventable acute care
 38-48 costs and encourage transformative efforts in the delivery of
 38-49 nursing facility services, including efforts to promote a
 38-50 resident-centered care culture through facility design and
 38-51 services provided;

38-52 (7) the establishment of a portal that is in
 38-53 compliance with state and federal regulations, including standard
 38-54 coding requirements, through which nursing facility providers
 38-55 participating in the STAR + PLUS Medicaid managed care program may
 38-56 submit claims to any participating managed care organization;

38-57 (8) that rules and procedures relating to the
 38-58 certification and decertification of nursing facility beds under
 38-59 Medicaid are not affected; and

38-60 (9) that a managed care organization providing
 38-61 services under the managed care program, to the greatest extent
 38-62 possible, offers nursing facility providers access to:

38-63 (A) acute care professionals; and

38-64 (B) telemedicine, when feasible and in
 38-65 accordance with state law, including rules adopted by the Texas
 38-66 Medical Board.

38-67 SECTION 3.15. Section 533.00253(b), Government Code, as
 38-68 amended by S.B. 219, Acts of the 84th Legislature, Regular Session,
 38-69 2015, is amended to read as follows:

39-1 (b) Subject to Section 533.0025, the commission shall~~[, in~~
 39-2 ~~consultation with the advisory committee and the Children's Policy~~
 39-3 ~~Council established under Section 22.035, Human Resources Code,~~
 39-4 establish a mandatory STAR Kids capitated managed care program
 39-5 tailored to provide Medicaid benefits to children with
 39-6 disabilities. The managed care program developed under this
 39-7 section must:

39-8 (1) provide Medicaid benefits that are customized to
 39-9 meet the health care needs of recipients under the program through a
 39-10 defined system of care;

39-11 (2) better coordinate care of recipients under the
 39-12 program;

39-13 (3) improve the health outcomes of recipients;

39-14 (4) improve recipients' access to health care
 39-15 services;

39-16 (5) achieve cost containment and cost efficiency;

39-17 (6) reduce the administrative complexity of
 39-18 delivering Medicaid benefits;

39-19 (7) reduce the incidence of unnecessary
 39-20 institutionalizations and potentially preventable events by
 39-21 ensuring the availability of appropriate services and care
 39-22 management;

39-23 (8) require a health home; and

39-24 (9) coordinate and collaborate with long-term care
 39-25 service providers and long-term care management providers, if
 39-26 recipients are receiving long-term services and supports outside of
 39-27 the managed care organization.

39-28 SECTION 3.16. Section 533.00256(a), Government Code, is
 39-29 amended to read as follows:

39-30 (a) In consultation with ~~[the Medicaid and CHIP~~
 39-31 ~~Quality-Based Payment Advisory Committee established under Section~~
 39-32 ~~536.002 and other]~~ appropriate stakeholders with an interest in the
 39-33 provision of acute care services and long-term services and
 39-34 supports under the Medicaid managed care program, the commission
 39-35 shall:

39-36 (1) establish a clinical improvement program to
 39-37 identify goals designed to improve quality of care and care
 39-38 management and to reduce potentially preventable events, as defined
 39-39 by Section 536.001; and

39-40 (2) require managed care organizations to develop and
 39-41 implement collaborative program improvement strategies to address
 39-42 the goals.

39-43 SECTION 3.17. Section 534.052, Government Code, as amended
 39-44 by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, is
 39-45 amended to read as follows:

39-46 Sec. 534.052. IMPLEMENTATION OF SYSTEM REDESIGN. The
 39-47 commission and department shall~~[, in consultation with the advisory~~
 39-48 ~~committee,~~] jointly implement the acute care services and long-term
 39-49 services and supports system for individuals with an intellectual
 39-50 or developmental disability in the manner and in the stages
 39-51 described in this chapter.

39-52 SECTION 3.18. Section 534.104(d), Government Code, is
 39-53 amended to read as follows:

39-54 (d) The department~~[, in consultation with the advisory~~
 39-55 ~~committee,~~] shall evaluate each submitted managed care strategy
 39-56 proposal and determine whether:

39-57 (1) the proposed strategy satisfies the requirements
 39-58 of this section; and

39-59 (2) the private services provider that submitted the
 39-60 proposal has a demonstrated ability to provide the long-term
 39-61 services and supports appropriate to the individuals who will
 39-62 receive services through the pilot program based on the proposed
 39-63 strategy, if implemented.

39-64 SECTION 3.19. Section 534.105, Government Code, is amended
 39-65 to read as follows:

39-66 Sec. 534.105. PILOT PROGRAM: MEASURABLE GOALS. (a) The
 39-67 department~~[, in consultation with the advisory committee,~~] shall
 39-68 identify measurable goals to be achieved by each pilot program
 39-69 implemented under this subchapter. The identified goals must:

40-1 (1) align with information that will be collected
40-2 under Section 534.108(a); and

40-3 (2) be designed to improve the quality of outcomes for
40-4 individuals receiving services through the pilot program.

40-5 (b) The department [~~in consultation with the advisory~~
40-6 ~~committee,~~] shall propose specific strategies for achieving the
40-7 identified goals. A proposed strategy may be evidence-based if
40-8 there is an evidence-based strategy available for meeting the pilot
40-9 program's goals.

40-10 SECTION 3.20. Section 534.108(d), Government Code, is
40-11 amended to read as follows:

40-12 (d) On or before December 1, 2016, and December 1, 2017, the
40-13 commission and the department [~~in consultation with the advisory~~
40-14 ~~committee,~~] shall review and evaluate the progress and outcomes of
40-15 each pilot program implemented under this subchapter and submit a
40-16 report to the legislature during the operation of the pilot
40-17 programs. Each report must include recommendations for program
40-18 improvement and continued implementation.

40-19 SECTION 3.21. Section 534.201(d), Government Code, is
40-20 amended to read as follows:

40-21 (d) In implementing the transition described by Subsection
40-22 (b), the commission shall develop a process to receive and evaluate
40-23 input from interested statewide stakeholders [~~that is in addition~~
40-24 ~~to the input provided by the advisory committee].~~

40-25 SECTION 3.22. Section 534.202(d), Government Code, is
40-26 amended to read as follows:

40-27 (d) In implementing the transition described by Subsection
40-28 (b), the commission shall develop a process to receive and evaluate
40-29 input from interested statewide stakeholders [~~that is in addition~~
40-30 ~~to the input provided by the advisory committee].~~

40-31 SECTION 3.23. Section 535.051(c), Government Code, is
40-32 amended to read as follows:

40-33 (c) The commissioner of higher education [~~in consultation~~
40-34 ~~with the presiding officer of the interagency coordinating group,~~]
40-35 shall designate one employee from an institution of higher
40-36 education, as that term is defined under Section 61.003, Education
40-37 Code, to serve as a liaison for faith- and community-based
40-38 organizations.

40-39 SECTION 3.24. Section 535.104(a), Government Code, is
40-40 amended to read as follows:

40-41 (a) The commission shall:

40-42 (1) contract with the State Commission on National and
40-43 Community Service to administer funds appropriated from the account
40-44 in a manner that:

40-45 (A) consolidates the capacity of and strengthens
40-46 national service and community and faith- and community-based
40-47 initiatives; and

40-48 (B) leverages public and private funds to benefit
40-49 this state;

40-50 (2) develop a competitive process to be used in
40-51 awarding grants from account funds that is consistent with state
40-52 law and includes objective selection criteria;

40-53 (3) oversee the delivery of training and other
40-54 assistance activities under this subchapter;

40-55 (4) develop criteria limiting awards of grants under
40-56 Section 535.105(1)(A) to small and medium-sized faith- and
40-57 community-based organizations that provide charitable services to
40-58 persons in this state;

40-59 (5) establish general state priorities for the
40-60 account;

40-61 (6) establish and monitor performance and outcome
40-62 measures for persons to whom grants are awarded under this
40-63 subchapter; and

40-64 (7) establish policies and procedures to ensure that
40-65 any money appropriated from the account to the commission that is
40-66 allocated to build the capacity of a faith-based organization or
40-67 for a faith-based initiative [~~including money allocated for the~~
40-68 ~~establishment of the advisory committee under Section 535.108,~~] is
40-69 not used to advance a sectarian purpose or to engage in any form of

41-1 proselytization.

41-2 SECTION 3.25. Section 535.106(b), Government Code, is
41-3 amended to read as follows:

41-4 (b) If awarded a contract or grant under Section 535.104,
41-5 the State Commission on National and Community Service must provide
41-6 to the commission periodic reports on a schedule determined by the
41-7 executive commissioner. The schedule of periodic reports must
41-8 include an annual report that includes:

41-9 (1) a specific accounting with respect to the use by
41-10 that entity of money appropriated from the account, including the
41-11 names of persons to whom grants have been awarded and the purposes
41-12 of those grants; and

41-13 (2) a summary of the efforts of the faith- and
41-14 community-based liaisons designated under Section 535.051 to
41-15 comply with the duties imposed by and the purposes of Section
41-16 [~~Sections~~] 535.052 [~~and 535.053~~].

41-17 SECTION 3.26. Section 536.001(20), Government Code, is
41-18 amended to read as follows:

41-19 (20) "Potentially preventable readmission" means a
41-20 return hospitalization of a person within a period specified by the
41-21 commission that may have resulted from deficiencies in the care or
41-22 treatment provided to the person during a previous hospital stay or
41-23 from deficiencies in post-hospital discharge follow-up. The term
41-24 does not include a hospital readmission necessitated by the
41-25 occurrence of unrelated events after the discharge. The term
41-26 includes the readmission of a person to a hospital for:

41-27 (A) the same condition or procedure for which the
41-28 person was previously admitted;

41-29 (B) an infection or other complication resulting
41-30 from care previously provided;

41-31 (C) a condition or procedure that indicates that
41-32 a surgical intervention performed during a previous admission was
41-33 unsuccessful in achieving the anticipated outcome; or

41-34 (D) another condition or procedure of a similar
41-35 nature, as determined by the executive commissioner [~~after~~
41-36 ~~consulting with the advisory committee~~].

41-37 SECTION 3.27. Section 536.003(a), Government Code, as
41-38 amended by S.B. 219, Acts of the 84th Legislature, Regular Session,
41-39 2015, is amended to read as follows:

41-40 (a) The commission [~~, in consultation with the advisory~~
41-41 ~~committee,~~] shall develop quality-based outcome and process
41-42 measures that promote the provision of efficient, quality health
41-43 care and that can be used in the child health plan program and
41-44 Medicaid to implement quality-based payments for acute care
41-45 services and long-term services and supports across all delivery
41-46 models and payment systems, including fee-for-service and managed
41-47 care payment systems. Subject to Subsection (a-1), the commission,
41-48 in developing outcome and process measures under this section, must
41-49 include measures that are based on potentially preventable events
41-50 and that advance quality improvement and innovation. The
41-51 commission may change measures developed:

41-52 (1) to promote continuous system reform, improved
41-53 quality, and reduced costs; and

41-54 (2) to account for managed care organizations added to
41-55 a service area.

41-56 SECTION 3.28. Section 536.004(a), Government Code, as
41-57 amended by S.B. 219, Acts of the 84th Legislature, Regular Session,
41-58 2015, is amended to read as follows:

41-59 (a) Using quality-based outcome and process measures
41-60 developed under Section 536.003 and subject to this section, the
41-61 commission, after consulting with [~~the advisory committee and~~
41-62 ~~other~~] appropriate stakeholders with an interest in the provision
41-63 of acute care and long-term services and supports under the child
41-64 health plan program and Medicaid, shall develop quality-based
41-65 payment systems, and require managed care organizations to develop
41-66 quality-based payment systems, for compensating a physician or
41-67 other health care provider participating in the child health plan
41-68 program or Medicaid that:

41-69 (1) align payment incentives with high-quality,

42-1 cost-effective health care;
 42-2 (2) reward the use of evidence-based best practices;
 42-3 (3) promote the coordination of health care;
 42-4 (4) encourage appropriate physician and other health
 42-5 care provider collaboration;
 42-6 (5) promote effective health care delivery models; and
 42-7 (6) take into account the specific needs of the child
 42-8 health plan program enrollee and Medicaid recipient populations.

42-9 SECTION 3.29. Section 536.006(a), Government Code, is
 42-10 amended to read as follows:

42-11 (a) The commission [~~and the advisory committee~~] shall:

42-12 (1) ensure transparency in the development and
 42-13 establishment of:

42-14 (A) quality-based payment and reimbursement
 42-15 systems under Section 536.004 and Subchapters B, C, and D,
 42-16 including the development of outcome and process measures under
 42-17 Section 536.003; and

42-18 (B) quality-based payment initiatives under
 42-19 Subchapter E, including the development of quality of care and
 42-20 cost-efficiency benchmarks under Section 536.204(a) and efficiency
 42-21 performance standards under Section 536.204(b);

42-22 (2) develop guidelines establishing procedures for
 42-23 providing notice and information to, and receiving input from,
 42-24 managed care organizations, health care providers, including
 42-25 physicians and experts in the various medical specialty fields, and
 42-26 other stakeholders, as appropriate, for purposes of developing and
 42-27 establishing the quality-based payment and reimbursement systems
 42-28 and initiatives described under Subdivision (1);

42-29 (3) in developing and establishing the quality-based
 42-30 payment and reimbursement systems and initiatives described under
 42-31 Subdivision (1), consider that as the performance of a managed care
 42-32 organization or physician or other health care provider improves
 42-33 with respect to an outcome or process measure, quality of care and
 42-34 cost-efficiency benchmark, or efficiency performance standard, as
 42-35 applicable, there will be a diminishing rate of improved
 42-36 performance over time; and

42-37 (4) develop web-based capability to provide managed
 42-38 care organizations and health care providers with data on their
 42-39 clinical and utilization performance, including comparisons to
 42-40 peer organizations and providers located in this state and in the
 42-41 provider's respective region.

42-42 SECTION 3.30. Section 536.052(b), Government Code, is
 42-43 amended to read as follows:

42-44 (b) The commission [~~, after consulting with the advisory
 42-45 committee,~~] shall develop quality of care and cost-efficiency
 42-46 benchmarks, including benchmarks based on a managed care
 42-47 organization's performance with respect to reducing potentially
 42-48 preventable events and containing the growth rate of health care
 42-49 costs.

42-50 SECTION 3.31. Section 536.102(a), Government Code, is
 42-51 amended to read as follows:

42-52 (a) Subject to this subchapter, the commission [~~, after
 42-53 consulting with the advisory committee,~~] may develop and implement
 42-54 quality-based payment systems for health homes designed to improve
 42-55 quality of care and reduce the provision of unnecessary medical
 42-56 services. A quality-based payment system developed under this
 42-57 section must:

42-58 (1) base payments made to a participating enrollee's
 42-59 health home on quality and efficiency measures that may include
 42-60 measurable wellness and prevention criteria and use of
 42-61 evidence-based best practices, sharing a portion of any realized
 42-62 cost savings achieved by the health home, and ensuring quality of
 42-63 care outcomes, including a reduction in potentially preventable
 42-64 events; and

42-65 (2) allow for the examination of measurable wellness
 42-66 and prevention criteria, use of evidence-based best practices, and
 42-67 quality of care outcomes based on the type of primary or specialty
 42-68 care provider practice.

42-69 SECTION 3.32. Section 536.152(a), Government Code, is

43-1 amended to read as follows:

43-2 (a) Subject to Subsection (b), using the data collected
 43-3 under Section 536.151 and the diagnosis-related groups (DRG)
 43-4 methodology implemented under Section 536.005, if applicable, the
 43-5 commission [~~after consulting with the advisory committee,~~] shall
 43-6 to the extent feasible adjust child health plan and Medicaid
 43-7 reimbursements to hospitals, including payments made under the
 43-8 disproportionate share hospitals and upper payment limit
 43-9 supplemental payment programs, based on the hospital's performance
 43-10 with respect to exceeding, or failing to achieve, outcome and
 43-11 process measures developed under Section 536.003 that address the
 43-12 rates of potentially preventable readmissions and potentially
 43-13 preventable complications.

43-14 SECTION 3.33. Section 536.202(a), Government Code, is
 43-15 amended to read as follows:

43-16 (a) The commission shall [~~after consulting with the~~
 43-17 ~~advisory committee,~~] establish payment initiatives to test the
 43-18 effectiveness of quality-based payment systems, alternative
 43-19 payment methodologies, and high-quality, cost-effective health
 43-20 care delivery models that provide incentives to physicians and
 43-21 other health care providers to develop health care interventions
 43-22 for child health plan program enrollees or Medicaid recipients, or
 43-23 both, that will:

43-24 (1) improve the quality of health care provided to the
 43-25 enrollees or recipients;
 43-26 (2) reduce potentially preventable events;
 43-27 (3) promote prevention and wellness;
 43-28 (4) increase the use of evidence-based best practices;
 43-29 (5) increase appropriate physician and other health
 43-30 care provider collaboration;
 43-31 (6) contain costs; and
 43-32 (7) improve integration of acute care services and
 43-33 long-term services and supports, including discharge planning from
 43-34 acute care services to community-based long-term services and
 43-35 supports.

43-36 SECTION 3.34. Section 536.204(a), Government Code, is
 43-37 amended to read as follows:

43-38 (a) The executive commissioner shall [+
 43-39 [~~(1) consult with the advisory committee to~~] develop
 43-40 quality of care and cost-efficiency benchmarks and measurable goals
 43-41 that a payment initiative must meet to ensure high-quality and
 43-42 cost-effective health care services and healthy outcomes [+and
 43-43 [~~(2) approve benchmarks and goals developed as~~
 43-44 ~~provided by Subdivision (1)~~].

43-45 SECTION 3.35. Section 536.251(a), Government Code, is
 43-46 amended to read as follows:

43-47 (a) Subject to this subchapter, the commission, after
 43-48 consulting with [~~the advisory committee and other~~] appropriate
 43-49 stakeholders representing nursing facility providers with an
 43-50 interest in the provision of long-term services and supports, may
 43-51 develop and implement quality-based payment systems for Medicaid
 43-52 long-term services and supports providers designed to improve
 43-53 quality of care and reduce the provision of unnecessary services. A
 43-54 quality-based payment system developed under this section must base
 43-55 payments to providers on quality and efficiency measures that may
 43-56 include measurable wellness and prevention criteria and use of
 43-57 evidence-based best practices, sharing a portion of any realized
 43-58 cost savings achieved by the provider, and ensuring quality of care
 43-59 outcomes, including a reduction in potentially preventable events.

43-60 SECTION 3.36. Section 538.052(a), Government Code, as
 43-61 amended by S.B. 219, Acts of the 84th Legislature, Regular Session,
 43-62 2015, is amended to read as follows:

43-63 (a) Subject to Subsection (b), the commission shall solicit
 43-64 and accept suggestions for clinical initiatives, in either written
 43-65 or electronic form, from:

43-66 (1) a member of the state legislature;
 43-67 (2) the executive commissioner;
 43-68 (3) the commissioner of aging and disability services;
 43-69 (4) the commissioner of state health services;

44-1 (5) the commissioner of the Department of Family and
44-2 Protective Services;

44-3 (6) the commissioner of assistive and rehabilitative
44-4 services;

44-5 (7) the medical care advisory committee established
44-6 under Section 32.022, Human Resources Code; and

44-7 (8) the physician payment advisory committee created
44-8 under Section 32.022(d), Human Resources Code[~~and~~

44-9 [~~(9) the Electronic Health Information Exchange~~
44-10 ~~System Advisory Committee established under Section 531.904~~].

44-11 SECTION 3.37. Sections 533A.0335(c) and (d), Health and
44-12 Safety Code, as redesignated from Sections 533.0335(c) and (d),
44-13 Health and Safety Code, by S.B. 219, Acts of the 84th Legislature,
44-14 Regular Session, 2015, are amended to read as follows:

44-15 (c) The department[~~, in consultation with the advisory~~
44-16 ~~committee,~~] shall establish a prior authorization process for
44-17 requests for supervised living or residential support services
44-18 available in the home and community-based services (HCS) Medicaid
44-19 waiver program. The process must ensure that supervised living or
44-20 residential support services available in the home and
44-21 community-based services (HCS) Medicaid waiver program are
44-22 available only to individuals for whom a more independent setting
44-23 is not appropriate or available.

44-24 (d) The department shall [~~cooperate with the advisory~~
44-25 ~~committee to~~] establish the prior authorization process required by
44-26 Subsection (c). This subsection expires January 1, 2024.

44-27 SECTION 3.38. Section 533A.03551(b), Health and Safety
44-28 Code, as redesignated from Section 533.03551(b), Health and Safety
44-29 Code, and amended by S.B. 219, Acts of the 84th Legislature, Regular
44-30 Session, 2015, is amended to read as follows:

44-31 (b) The department, in cooperation with the Texas
44-32 Department of Housing and Community Affairs, the Department of
44-33 Agriculture, and the Texas State Affordable Housing Corporation[~~, and the Intellectual and Developmental Disability System Redesign~~
44-34 ~~Advisory Committee established under Section 534.053, Government~~
44-35 ~~Code~~], shall coordinate with federal, state, and local public
44-36 housing entities as necessary to expand opportunities for
44-37 accessible, affordable, and integrated housing to meet the complex
44-38 needs of individuals with disabilities, including individuals with
44-39 intellectual and developmental disabilities.

44-40 SECTION 3.39. Sections 1002.060(c) and (e), Health and
44-41 Safety Code, are amended to read as follows:

44-42 (c) The commission, department, or institute or an officer
44-43 or employee of the commission, department, or institute[~~, including~~
44-44 ~~a board member,~~] may not disclose any information that is
44-45 confidential under this section.

44-46 (e) An officer or employee of the commission, department, or
44-47 institute[~~, including a board member,~~] may not be examined in a
44-48 civil, criminal, special, administrative, or other proceeding as to
44-49 information that is confidential under this section.

44-50 SECTION 3.40. Section 1002.061, Health and Safety Code, is
44-51 amended by amending Subsection (c) and adding Subsection (c-1) to
44-52 read as follows:

44-53 (c) Except as otherwise provided by law, each of the
44-54 following state agencies or systems [~~agency represented on the~~
44-55 ~~board as a nonvoting member~~] shall provide funds to support the
44-56 institute and implement this chapter:

- 44-57 (1) the department;
- 44-58 (2) the commission;
- 44-59 (3) the Texas Department of Insurance;
- 44-60 (4) the Employees Retirement System of Texas;
- 44-61 (5) the Teacher Retirement System of Texas;
- 44-62 (6) the Texas Medical Board;
- 44-63 (7) the Department of Aging and Disability Services;
- 44-64 (8) the Texas Workforce Commission;
- 44-65 (9) the Texas Higher Education Coordinating Board; and
- 44-66 (10) each state agency or system of higher education

44-67 that purchases or provides health care services, as determined by
44-68 the governor.
44-69

45-1 (c-1) The commission shall establish a funding formula to
 45-2 determine the level of support each state agency or system listed in
 45-3 Subsection (c) is required to provide.

45-4 SECTION 3.41. (a) Section 32.022(b), Human Resources
 45-5 Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular
 45-6 Session, 2015, is amended to read as follows:

45-7 (b) The executive commissioner shall appoint the committee
 45-8 in compliance with the requirements of the federal agency
 45-9 administering medical assistance. The appointments shall:

45-10 (1) provide for a balanced representation of the
 45-11 general public, providers, consumers, and other persons, state
 45-12 agencies, or groups with knowledge of and interest in the
 45-13 committee's field of work; and

45-14 (2) include one member who is the representative of a
 45-15 managed care organization.

45-16 (b) Not later than September 1, 2015, the executive
 45-17 commissioner of the Health and Human Services Commission shall
 45-18 appoint an additional member to the medical care advisory committee
 45-19 in accordance with Section 32.022(b)(2), Human Resources Code, as
 45-20 added by this article.

45-21 SECTION 3.42. Section 32.0641(a), Human Resources Code, as
 45-22 amended by S.B. 219, Acts of the 84th Legislature, Regular Session,
 45-23 2015, is amended to read as follows:

45-24 (a) To the extent permitted under and in a manner that is
 45-25 consistent with Title XIX, Social Security Act (42 U.S.C. Section
 45-26 1396 et seq.) and any other applicable law or regulation or under a
 45-27 federal waiver or other authorization, the executive commissioner
 45-28 shall adopt [~~after consulting with the Medicaid and CHIP~~
 45-29 ~~Quality-Based Payment Advisory Committee established under Section~~
 45-30 ~~536.002, Government Code,~~] cost-sharing provisions that encourage
 45-31 personal accountability and appropriate utilization of health care
 45-32 services, including a cost-sharing provision applicable to a
 45-33 recipient who chooses to receive a nonemergency medical service
 45-34 through a hospital emergency room.

45-35 SECTION 3.43. Section 1352.004(b), Insurance Code, is
 45-36 amended to read as follows:

45-37 (b) The commissioner by rule shall require a health benefit
 45-38 plan issuer to provide adequate training to personnel responsible
 45-39 for preauthorization of coverage or utilization review under the
 45-40 plan. The purpose of the training is to prevent denial of coverage
 45-41 in violation of Section 1352.003 and to avoid confusion of medical
 45-42 benefits with mental health benefits. The commissioner [~~in~~
 45-43 ~~consultation with the Texas Traumatic Brain Injury Advisory~~
 45-44 ~~Council,~~] shall prescribe by rule the basic requirements for the
 45-45 training described by this subsection.

45-46 SECTION 3.44. Section 1352.005(b), Insurance Code, is
 45-47 amended to read as follows:

45-48 (b) The commissioner [~~in consultation with the Texas~~
 45-49 ~~Traumatic Brain Injury Advisory Council,~~] shall prescribe by rule
 45-50 the specific contents and wording of the notice required under this
 45-51 section.

45-52 SECTION 3.45. (a) The following provisions of the
 45-53 Government Code, including provisions amended by S.B. 219, Acts of
 45-54 the 84th Legislature, Regular Session, 2015, are repealed:

- 45-55 (1) Section 531.0217(j);
- 45-56 (2) Section 531.02172;
- 45-57 (3) Section 531.02173(c);
- 45-58 (4) Section 531.02441;
- 45-59 (5) Section 531.052;
- 45-60 (6) Section 531.0571;
- 45-61 (7) Section 531.068;
- 45-62 (8) Sections 531.121(1), (5), and (6);
- 45-63 (9) Section 531.122;
- 45-64 (10) Section 531.123;
- 45-65 (11) Section 531.1235;
- 45-66 (12) Section 531.251;
- 45-67 (13) Subchapters R and T, Chapter 531;
- 45-68 (14) Section 531.904;
- 45-69 (15) Section 533.00251(a)(1);

- 46-1 (16) Section 533.00252;
- 46-2 (17) Sections 533.00253(a)(1) and (f);
- 46-3 (18) Section 533.00254;
- 46-4 (19) Sections 533.00255(e) and (f);
- 46-5 (20) Section 533.00285;
- 46-6 (21) Subchapters B and C, Chapter 533;
- 46-7 (22) Section 534.001(1);
- 46-8 (23) Section 534.053;
- 46-9 (24) Section 535.053;
- 46-10 (25) Section 535.054;
- 46-11 (26) Section 535.055;
- 46-12 (27) Section 535.108;
- 46-13 (28) Section 536.001(1);
- 46-14 (29) Section 536.002; and
- 46-15 (30) Section 536.007(b).

46-16 (b) The following provisions of the Health and Safety Code,
 46-17 including provisions amended by S.B. 219, Acts of the 84th
 46-18 Legislature, Regular Session, 2015, are repealed:

- 46-19 (1) Subchapter C, Chapter 32;
- 46-20 (2) Section 62.151(e);
- 46-21 (3) Section 62.1571(c);
- 46-22 (4) Section 81.010;
- 46-23 (5) Section 92.011;
- 46-24 (6) Subchapter B, Chapter 92;
- 46-25 (7) Chapter 115;
- 46-26 (8) Section 241.187;
- 46-27 (9) Section 533A.0335(a)(1);
- 46-28 (10) Section 1002.001(1);
- 46-29 (11) Section 1002.051;
- 46-30 (12) Section 1002.052;
- 46-31 (13) Section 1002.053;
- 46-32 (14) Section 1002.055;
- 46-33 (15) Section 1002.056;
- 46-34 (16) Section 1002.057;
- 46-35 (17) Section 1002.058; and
- 46-36 (18) Section 1002.059.

46-37 (c) The following provisions of the Human Resources Code,
 46-38 including provisions amended by S.B. 219, Acts of the 84th
 46-39 Legislature, Regular Session, 2015, are repealed:

- 46-40 (1) Section 22.035; and
- 46-41 (2) Section 32.022(e).

46-42 SECTION 3.46. On the effective date of this article, the
 46-43 following advisory committees are abolished:

- 46-44 (1) the advisory committee on Medicaid and child
 46-45 health plan program rate and expenditure disparities;
- 46-46 (2) the Advisory Committee on Qualifications for
 46-47 Health Care Translators and Interpreters;
- 46-48 (3) the Behavioral Health Integration Advisory
 46-49 Committee;
- 46-50 (4) the Children's Policy Council;
- 46-51 (5) the Consumer Direction Work Group;
- 46-52 (6) the Council on Children and Families;
- 46-53 (7) the Electronic Health Information Exchange System
 46-54 Advisory Committee;
- 46-55 (8) the Guardianship Advisory Board;
- 46-56 (9) the hospital payment advisory committee;
- 46-57 (10) the Intellectual and Developmental Disability
 46-58 System Redesign Advisory Committee;
- 46-59 (11) the Interagency Coordinating Council for HIV and
 46-60 Hepatitis;
- 46-61 (12) the interagency coordinating group for faith- and
 46-62 community-based initiatives;
- 46-63 (13) the interagency task force on ensuring
 46-64 appropriate care settings for persons with disabilities;
- 46-65 (14) the Medicaid and CHIP Quality-Based Payment
 46-66 Advisory Committee;
- 46-67 (15) each Medicaid managed care advisory committee
 46-68 appointed for a health care service region under Subchapter B,
 46-69 Chapter 533, Government Code;

47-1 (16) the Perinatal Advisory Council;
 47-2 (17) the Public Assistance Health Benefit Review and
 47-3 Design Committee;
 47-4 (18) the renewing our communities account advisory
 47-5 committee;
 47-6 (19) the STAR + PLUS Nursing Facility Advisory
 47-7 Committee;
 47-8 (20) the STAR + PLUS Quality Council;
 47-9 (21) the STAR Kids Managed Care Advisory Committee;
 47-10 (22) the state Medicaid managed care advisory
 47-11 committee;
 47-12 (23) the task force on domestic violence;
 47-13 (24) the Interagency Task Force for Children With
 47-14 Special Needs;
 47-15 (25) the telemedicine and telehealth advisory
 47-16 committee;
 47-17 (26) the board of directors of the Texas Institute of
 47-18 Health Care Quality and Efficiency;
 47-19 (27) the Texas Nonprofit Council;
 47-20 (28) the Texas System of Care Consortium;
 47-21 (29) the Texas Traumatic Brain Injury Advisory
 47-22 Council; and
 47-23 (30) the volunteer advocate program advisory
 47-24 committee.

47-25 ARTICLE 4. CONTINUATION OF HEALTH AND HUMAN SERVICES POWERS AND
 47-26 DUTIES

47-27 SECTION 4.01. Section 531.004, Government Code, is amended
 47-28 to read as follows:

47-29 Sec. 531.004. SUNSET PROVISION. The Health and Human
 47-30 Services Commission is subject to Chapter 325 (Texas Sunset Act).
 47-31 Unless continued in existence as provided by that chapter, the
 47-32 commission is abolished and this chapter expires September 1, 2027
 47-33 [2015].

47-34 SECTION 4.02. Section 108.016, Health and Safety Code, is
 47-35 amended to read as follows:

47-36 Sec. 108.016. SUNSET REVIEW. Unless the commission is
 47-37 continued in existence in accordance with Chapter 325, Government
 47-38 Code (Texas Sunset Act), after the review required by Section
 47-39 531.004, Government Code [11.003(b)], this chapter expires on the
 47-40 date the commission is abolished under that section [September 1,
 47-41 2015].

47-42 SECTION 4.03. Section 1001.003, Health and Safety Code, is
 47-43 amended to read as follows:

47-44 Sec. 1001.003. SUNSET PROVISION. Unless the commission is
 47-45 [The Department of State Health Services is subject to Chapter 325,
 47-46 Government Code (Texas Sunset Act). Unless] continued in existence
 47-47 as provided by Chapter 325, Government Code [that chapter], after
 47-48 the review required by Section 531.004, Government Code, [the
 47-49 department is abolished and] this chapter expires on the date the
 47-50 commission is abolished under that section [September 1, 2015].

47-51 SECTION 4.04. Section 40.003, Human Resources Code, is
 47-52 amended to read as follows:

47-53 Sec. 40.003. SUNSET PROVISION. Unless the commission is
 47-54 [The Department of Family and Protective Services is subject to
 47-55 Chapter 325, Government Code (Texas Sunset Act). Unless] continued
 47-56 in existence as provided by Chapter 325, Government Code [that
 47-57 chapter], after the review required by Section 531.004, Government
 47-58 Code, [the department is abolished and] this chapter expires on the
 47-59 date the commission is abolished under that section [September 1,
 47-60 2015].

47-61 SECTION 4.05. Section 117.003, Human Resources Code, is
 47-62 amended to read as follows:

47-63 Sec. 117.003. SUNSET PROVISION. Unless the commission
 47-64 is [The Department of Assistive and Rehabilitative Services is
 47-65 subject to Chapter 325, Government Code (Texas Sunset Act). Unless]
 47-66 continued in existence as provided by Chapter 325, Government Code
 47-67 [that chapter], after the review required by Section 531.004,
 47-68 Government Code, [the department is abolished and] this chapter
 47-69 expires on the date the commission is abolished under that section

48-1 [~~September 1, 2015~~].

48-2 SECTION 4.06. Section 161.003, Human Resources Code, as
48-3 amended by S.B. 219, Acts of the 84th Legislature, Regular Session,
48-4 2015, is amended to read as follows:

48-5 Sec. 161.003. SUNSET PROVISION. Unless the commission is
48-6 [The department is subject to Chapter 325, Government Code (Texas
48-7 Sunset Act). Unless] continued in existence as provided by Chapter
48-8 325, Government Code [that chapter], after the review required by
48-9 Section 531.004, Government Code, [the department is abolished and]
48-10 this chapter expires on the date the commission is abolished under
48-11 that section [September 1, 2015].

48-12 ARTICLE 5. FEDERAL AUTHORIZATION AND EFFECTIVE DATE

48-13 SECTION 5.01. If before implementing any provision of this
48-14 Act a state agency determines that a waiver or authorization from a
48-15 federal agency is necessary for implementation of that provision,
48-16 the agency affected by the provision shall request the waiver or
48-17 authorization and may delay implementing that provision until the
48-18 waiver or authorization is granted.

48-19 SECTION 5.02. Except as otherwise provided by this Act,
48-20 this Act takes effect September 1, 2015.

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