

1-1 By: Hull, et al. (Senate Sponsor - Kolkhorst) H.B. No. 26  
 1-2 (In the Senate - Received from the House April 23, 2025;  
 1-3 April 28, 2025, read first time and referred to Committee on Health  
 1-4 & Human Services; May 7, 2025, reported adversely, with favorable  
 1-5 Committee Substitute by the following vote: Yeas 6, Nays 0;  
 1-6 May 7, 2025, 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 H.B. No. 26 By: Sparks

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

1-21 relating to requiring contracts with Medicaid managed care  
 1-22 organizations to permit the organizations to offer nutrition  
 1-23 counseling and instruction services in lieu of other state Medicaid  
 1-24 plan services.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Section 540.0272, Government Code, is amended to  
 1-27 read as follows:

1-28 Sec. 540.0272. CERTAIN SERVICES PERMITTED IN LIEU OF STATE  
 1-29 MEDICAID PLAN SERVICES [~~OTHER MENTAL HEALTH OR SUBSTANCE USE~~  
 1-30 ~~DISORDER SERVICES~~]; ANNUAL REPORT. (a) A contract to which this  
 1-31 subchapter applies must contain language permitting the  
 1-32 contracting Medicaid managed care organization to offer medically  
 1-33 appropriate, cost-effective, evidence-based mental health or  
 1-34 substance use services or nutrition counseling and instruction  
 1-35 services from a list of services approved by the state Medicaid  
 1-36 managed care advisory committee and included in the contract in  
 1-37 lieu of [~~mental health or substance use disorder~~] services  
 1-38 specified in the state Medicaid plan. A recipient is not required  
 1-39 to use a service from the list included in the contract in lieu of  
 1-40 another [~~mental health or substance use disorder~~] service specified  
 1-41 in the state Medicaid plan.

1-42 (b) The commission shall:

1-43 (1) prepare and submit to the legislature an annual  
 1-44 report on the number of times during the preceding year a service  
 1-45 from the list included in the contract is used; and

1-46 (2) consider the actual cost and use of any services  
 1-47 from the list included in the contract that are offered by a  
 1-48 Medicaid managed care organization when setting the capitation  
 1-49 rates for that organization under the contract.

1-50 (c) In approving the list of nutrition counseling and  
 1-51 instruction services that are permitted in lieu of services  
 1-52 specified in the state Medicaid plan under this section, the state  
 1-53 Medicaid managed care advisory committee may only include nutrition  
 1-54 counseling and instruction. The list may not include:

1-55 (1) home-delivered meals;

1-56 (2) food prescriptions; or

1-57 (3) grocery support.

1-58 SECTION 2. The changes in law made by this Act apply to a  
 1-59 contract entered into or renewed on or after the effective date of  
 1-60 this Act. A contract entered into or renewed before that date is

2-1 governed by the law in effect on the date the contract was entered  
2-2 into or renewed, and the former law is continued in effect for that  
2-3 purpose.

2-4 SECTION 3. If before implementing any provision of this Act  
2-5 a state agency determines that a waiver or authorization from a  
2-6 federal agency is necessary for implementation of that provision,  
2-7 the agency affected by the provision shall request the waiver or  
2-8 authorization and may delay implementing that provision until the  
2-9 waiver or authorization is granted.

2-10 SECTION 4. This Act takes effect September 1, 2025.

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