Rider Comparison Packet

Conference Committee on Senate Bill 1

2018-19 General Appropriations Bill

Article II- Health and Human Services

ARTICLE II - HEALTH AND HUMAN SERVICES
530 Family and Protective Services, Department of
DIFFERENCES ONLY

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7. Other Reporting Requirements.

a. **Federal Reports.** The Department of Family and Protective Services shall submit the following information to the Legislative Budget Board and the Governor no later than the date the respective report is submitted to the federal government:

(1) Notification of proposed State Plan amendments or waivers for the Medicaid program, the Foster Care and Adoption Assistance program, the Temporary Assistance for Needy Families program, the Child Welfare Services program, and any other federal grant requiring a state plan. State plan amendments and waiver submissions shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committees.

(2) A copy of each report or petition submitted to the federal government relating to the Medicaid program, the Foster Care and Adoption Assistance program, the Temporary Assistance for Needy Families program, the Child Welfare Services program, and any other federal grant requiring a state plan, including expenditure reports and cost allocation revisions.

b. **Federal Issues.** The Department of Family and Protective Services shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than $1 million in federal revenue assumed in the appropriations act.

c. **Monthly Financial Reports.** The Department of Family and Protective Services shall submit the following information to the Legislative Budget Board and the Governor no later than 30 calendar days after the close of each month:

(1) Information on appropriated, budgeted, expended, and projected funds, by program and method of finance.

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7. Other Reporting Requirements.

a. **Federal Reports.** The Department of Family and Protective Services shall submit the following information to the Legislative Budget Board and the Governor no later than the date the respective report is submitted to the federal government:

(1) Notification of proposed State Plan amendments or waivers for the Medicaid program, the Foster Care and Adoption Assistance program, the Temporary Assistance for Needy Families program, the Child Welfare Services program, and any other federal grant requiring a state plan. State plan amendments and waiver submissions shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committees.

(2) A copy of each report or petition submitted to the federal government relating to the Medicaid program, the Foster Care and Adoption Assistance program, the Temporary Assistance for Needy Families program, the Child Welfare Services program, and any other federal grant requiring a state plan, including expenditure reports and cost allocation revisions.

b. **Federal Issues.** The Department of Family and Protective Services shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than $1 million in federal revenue assumed in the appropriations act.

c. **Monthly Financial Reports.** The Department of Family and Protective Services shall submit the following information to the Legislative Budget Board and the Governor no later than 30 calendar days after the close of each month:

(1) Information on appropriated, budgeted, expended, and projected funds, by strategy and method of finance.

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(2) A report detailing revenues, expenditures, and balances for earned federal funds as of the last day of the prior month.

(3) Narrative explanations of significant budget adjustments, ongoing budget issues, and other items as appropriate.

(4) Any other information requested by the Legislative Budget Board or the Governor.

The monthly financial reports shall be prepared in a format specified by the Legislative Budget Board.

d. **Quarterly Updates.** The Department of Family and Protective Services shall submit the following information to the Legislative Budget Board and the Governor on a quarterly basis beginning September 1, 2017:

(1) CPS Direct Delivery Staff Program expenditures by method-of-finance, data used to calculate related performance measure actuals, and performance measure targets, for each month in fiscal years 2015 through 2019.

(2) TWC Contracted Day Care Purchased Services Program expenditures by method-of-finance, and related performance measure actuals and targets, for fiscal years 2015 through 2019.

(3) Foster Care Payments Program expenditures by method-of-finance, and related performance measure actuals and targets, for fiscal years 2015 through 2019;

(4) Adoption Subsidy Payments Program expenditures by method-of-finance, and related performance measure actuals and targets, for fiscal years 2015 through 2019;

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(2) A report detailing revenues, expenditures, and balances for earned federal funds as of the last day of the prior month.

(3) Narrative explanations of significant budget adjustments, ongoing budget issues, and other items as appropriate.

(4) Any other information requested by the Legislative Budget Board or the Governor.

The monthly financial reports shall be prepared in a format specified by the Legislative Budget Board.

d. **Quarterly Updates.** The Department of Family and Protective Services shall submit the following information to the Legislative Budget Board and the Governor on a quarterly basis beginning September 1, 2017:

(1) Strategy B.1.1, CPS Direct Delivery Staff, program expenditures by method-of-finance, data used to calculate the performance measure actuals, and performance measure targets, for each month in fiscal years 2015 through 2019.

(2) Strategy B.1.3, TWC Contracted Day Care, program expenditures by method-of-finance, and performance measure actuals and targets, for fiscal years 2015 through 2019.

(3) Strategy B.1.9, Foster Care Payments, program expenditures by method-of-finance, and performance measure actuals and targets, for fiscal years 2015through 2019;

(4) Strategy B.1.10, Adoption Subsidy and Permanency Care Assistance Payments, program expenditures by method-of-finance, and performance measure actuals and targets, for fiscal years 2015 through 2019; and

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(5) Permanency Care Assistance Payments Program expenditures by method-of-finance, and related performance measure actuals and targets, for fiscal years 2015 through 2019; and	(5) Strategy B.1.11, Relative Caregiver Payments, program expenditures by method-of-finance, and performance measure actuals and targets, for fiscal years 2015 through 2019.
(6) Relative Caregiver Monetary Assistance Payments Program expenditures by method-of-finance, and related performance measure actuals and targets, for fiscal years 2015 through 2019.	e. **Litigation Involving Child Welfare Services Providers.** The Department of Family and Protective Services shall notify the Legislative Budget Board and the Governor in a timely manner about any pending litigation against the department or against any entity providing child welfare services under contract with the department, and the subject matter of the litigation.
The reports shall be prepared and submitted within 30 days of the end of each quarter in a format specified by the Legislative Budget Board.	The reports shall be prepared and submitted within 30 days of the end of each quarter in a format specified by the Legislative Budget Board.
8. Limitation on Expenditures for Administrative Overhead. Included in amounts appropriated above in the TWC Contracted Day Care Purchased Services Program, is $53,662,406 in General Revenue and $15,348,100 in Federal Funds in fiscal year 2018 and $54,826,307 in General Revenue and $15,511,658 in Federal Funds in fiscal year 2019. These funds may be used only to acquire child day care services through the Texas Workforce Commission.	**8. Limitation on Expenditures for Administrative Overhead.** Funds appropriated above in Strategy B.1.3, TWC Contracted Day Care, may be used only to acquire child day care services through the Texas Workforce Commission.
The Department of Family and Protective Services' expenditures for administrative overhead payments to the Texas Workforce Commission and local workforce boards in connection with any agreement to provide child day care services out of funds appropriated above shall be limited to no more than 5.0 percent of all amounts paid for child day care services out of funds appropriated above.	The Department of Family and Protective Services' expenditures for administrative overhead payments to the Texas Workforce Commission and local workforce boards in connection with any agreement to provide child day care services out of funds appropriated above shall be limited to no more than 5.0 percent of all amounts paid for child day care services out of funds appropriated above.

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20. **Limitation on Appropriations for Day Care Services.** Included in amounts appropriated above in the TWC Contracted Day Care Purchased Services Program, is $53,662,406 in General Revenue and $15,348,100 in Federal Funds in fiscal year 2018 and $54,826,307 in General Revenue and $15,511,658 in Federal Funds in fiscal year 2019. Notwithstanding Article IX, Sec. 14.01, Appropriation Transfers; Article IX, Sec. 14.03, Limitation on Expenditures - Capital Budget; and Article II, Special Provisions Sec. 6, Limitations on Transfer Authority in this Act, the Department of Family and Protective Services may not transfer the funds identified above into or out of the TWC Contracted Day Care Purchased Services Program, without the prior written approval of the Legislative Budget Board and the Governor.

To request approval, the department shall submit at least 90 days prior to when the expenditures are projected to be more than amounts appropriated a written request to the Legislative Budget Board and the Governor that includes the following information:

a. a detailed explanation of the need for day care services and the steps that have been taken to address the need without exceeding the amounts appropriated above;

b. a five-year history of expenditures for day care services with information on the number of days purchased and the average cost per day;

c. the name of the program or activity affected by the increase in expenditures and the method of financing and FTEs for each program by fiscal year;

d. the impact of the expenditure on performance levels and, where relevant, a comparison to targets included in this Act for the affected program or activity; and

e. the impact of the expenditure on the capital budget.

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20. **Limitation on Appropriations for Day Care Services.** Notwithstanding Article IX, Sec. 14.01, Appropriation Transfers; Article IX, Sec. 14.03, Limitation on Expenditures - Capital Budget; and Article II, Special Provisions Sec. 6, Limitations on Transfer Authority in this Act, the Department of Family and Protective Services may not transfer funds into or out of Strategy B.1.3, TWC Contracted Day Care, without the prior written approval of the Legislative Budget Board and the Governor.

To request approval, the department shall submit at least 90 days prior to when the expenditures are projected to be more than amounts appropriated a written request to the Legislative Budget Board and the Governor that includes the following information:

a. a detailed explanation of the need for day care services and the steps that have been taken to address the need without exceeding the amounts appropriated above;

b. a five-year history of expenditures for day care services with information on the number of days purchased and the average cost per day;

c. the name of the strategy or sub-strategies affected by the increase in expenditures and the method of financing and FTEs for each strategy by fiscal year;

d. the impact of the expenditure on performance levels and, where relevant, a comparison to targets included in this Act for the affected strategy or sub-strategies; and

e. the impact of the expenditure on the capital budget.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board. No expenditure in excess of appropriation made above in Strategy B.1.3, TWC Contracted Day Care, may be made until approved.

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Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board. No expenditure in excess of appropriation made above in the TWC Contracted Day Care Purchased Services Program may be made until approved.

The request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue a written approval within 30 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request and forwards the review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days.

The Comptroller of Public Accounts shall not allow the transfer of funds if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

21. **Foster Care Redesign.** Out of funds appropriated above to the Department of Family and Protective Services in all Programs in the Child Protective Services Program Area, the agency shall:

a. Report selected performance measures identified by the Legislative Budget Board that will allow for comparative analysis between the legacy foster care and the redesigned foster care systems. The report shall be prepared in a format specified by the Legislative Budget Board and shall be submitted August 1 and February 1 of each fiscal year of the biennium. The report shall be provided to the Legislative Budget Board, the Office of the Governor, the House Committee on Appropriations, the Senate Committee on Finance, the House Committee on Human Services, the Senate Committee on Health and Human Services, and any standing Joint Legislative Oversight Committees, as appropriate. The report shall also

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The request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue a written approval within 30 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request and forwards the review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days.

The Comptroller of Public Accounts shall not allow the transfer of funds if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

21. **Foster Care Redesign.** Out of funds appropriated above to the Department of Family and Protective Services in all Strategies in Goal B, Child Protective Services, the agency shall:

a. Report selected performance measures identified by the Legislative Budget Board that will allow for comparative analysis between the legacy foster care and the redesigned foster care systems. The report shall be prepared in a format specified by the Legislative Budget Board and shall be submitted August 1 and February 1 of each fiscal year of the biennium. The report shall be provided to the Legislative Budget Board, the Office of the Governor, the House Committee on Appropriations, the Senate Committee on Finance, the House Committee on Human Services, and the Senate Committee on Health and Human Services. The report shall also be posted on the agency's webpage in order to ensure transparency with stakeholders. The report shall contain: the most recent data for the selected

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be posted on the agency's webpage in order to ensure transparency with stakeholders. The report shall contain: the most recent data for the selected comparative performance measures, an analysis of the data that identifies trends and related impact occurring in the redesigned foster care system, identification and analysis of factors negatively impacting any outcomes, recommendations to address problems identified from the data, and any other information necessary to determine the status of the redesigned foster care system.

b. Ensure that all tasks, related FTEs, and associated funding to be transferred from DFPS to a single source continuum contractor (SSCC) are clearly identified and agreed upon prior to each subsequent rollout.

c. Continue the use of an independent evaluation to complete process and outcome evaluations throughout the entire rollout and implementation of foster care redesign in each established catchment area. All evaluations shall be provided to the Office of the Governor, the House Committee on Appropriations, the Senate Committee on Finance, the House Committee on Human Services, and the Senate Committee on Health and Human Services.

d. Develop an annual progressive intervention plan and contingency plan for the continuity of foster care service delivery in the event that a Foster Care Redesign contract is terminated. This plan should be published on the DFPS website prior to the first day of each fiscal year.

Included in amounts appropriated above in the Foster Care Payments Program, is $42,592,815 in All Funds for fiscal year 2018 and $47,360,453 in All Funds for fiscal year 2019 for foster care redesign payment rates. The payment rates for foster care redesign may not result in total expenditures for any fiscal year that exceed the amounts appropriated by this Act for that purpose without prior written approval of the Legislative Budget Board and the Governor, except to the extent that any increase in total foster care redesign expenditures is the direct result of caseload growth in foster care.

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comparative performance measures, an analysis of the data that identifies trends and related impact occurring in the redesigned foster care system, identification and analysis of factors negatively impacting any outcomes, recommendations to address problems identified from the data, and any other information necessary to determine the status of the redesigned foster care system.

b. Ensure that all tasks, related FTEs, and associated funding to be transferred from DFPS to a single source continuum contractor (SSCC) are clearly identified and agreed upon prior to each subsequent rollout.

c. Continue the use of an independent evaluation to complete process and outcome evaluations throughout the entire rollout and implementation of foster care redesign in each established catchment area. All evaluations shall be provided to the Office of the Governor, the House Committee on Appropriations, the Senate Committee on Finance, the House Committee on Human Services, and the Senate Committee on Health and Human Services.

d. Develop an annual progressive intervention plan and contingency plan for the continuity of foster care service delivery in the event that a Foster Care Redesign contract is terminated. This plan should be published on the DFPS website prior to the first day of each fiscal year.

Included in amounts appropriated above in Strategy B.1.9, Foster Care Payments, is $42,935,453 in All Funds for fiscal year 2018 and $44,935,453 in All Funds for fiscal year 2019 for foster care redesign payment rates. The payment rates for foster care redesign may not result in total expenditures for any fiscal year that exceed the amounts appropriated by this Act for that purpose without prior written approval of the Legislative Budget Board and the Governor, except to the extent that any increase in total foster care redesign expenditures is the direct result of caseload growth in foster care.

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26.	**Family Finding Collaboration.** Out of funds appropriated above in the CPS Program Support Program, the Department of Family and Protective Services (DFPS) shall allocate $321,800 in General Revenue Funds in fiscal year 2018 and $321,800 in General Revenue Funds in fiscal year 2019 for a contract with a statewide organization for volunteer advocate programs authorized under Texas Family Code, Section 264.604. Funding shall be used for personnel, developing curriculum, training and other necessary costs to support family finding efforts and the Collaborative Family Engagement model in order to increase permanency options and other beneficial outcomes for children and youth in state custody. DFPS shall enter into a memorandum of understanding with volunteer advocates programs to specify the respective roles of volunteer advocates programs and local CPS offices. Funds provided through this rider may also be used in collaboration with single source continuum contractors in Foster Care Redesign regions. Not later than December 1, 2018, DFPS shall report to the Legislative Budget Board, Office of the Governor, the Chair of the House Appropriations Committee, the Chair of the Senate Finance Committee, Speaker of the House, Lieutenant Governor, and the permanent standing committees in the House of Representatives and the Senate with jurisdiction over health and human services on the success of the collaboration and its impact on improving permanency outcomes, increasing family involvement and support for children in state care, and improving child well-being.	**26.** **Family Finding Collaboration.** Out of funds appropriated above in strategy B.1.2, CPS Program Support, the Department of Family and Protective Services (DFPS) shall allocate $321,800 in General Revenue Funds in fiscal year 2018 and $321,800 in General Revenue Funds in fiscal year 2019 for a contract with a statewide organization for volunteer advocate programs authorized under Texas Family Code, Section 264.604. Funding shall be used for personnel, developing curriculum, training and other necessary costs to support family finding efforts in order to increase permanency options and other beneficial outcomes for children and youth in state custody. DFPS shall enter into a memorandum of understanding with volunteer advocates programs to specify the respective roles of volunteer advocates programs and local CPS offices.
31.	**Texas Home Visiting Program and Nurse Family Partnership Program.** Included in amounts appropriated above to the Department of Family and Protective Services for is: a. $16,007,117 in Federal Funds in fiscal year 2018 and $16,007,117 in Federal Funds in fiscal year 2019 for services in the Texas Home Visiting Program;	**31.** **Texas Home Visiting Program and Nurse Family Partnership Program.** Included in amounts appropriated above to the Department of Family and Protective Services in Strategy C.1.5, Home Visiting Program, is: a. $218,943 in General Revenue Funds and 16,007,117 in Federal Funds in fiscal year 2018, and $199,788 in General Revenue Funds and $16,007,117 in Federal Funds in fiscal year 2019 for services in the Texas Home Visiting Program; and

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b. $908,693 in General Revenue Funds and $564,767 in Federal Funds in fiscal year 2018, and $908,573 in General Revenue and $564,767 in Federal Funds in fiscal year 2019 for agency-wide allocated support costs for the Texas Home Visiting Program;

c. $12,265,549 in Federal Funds in fiscal year 2018, and $12,265,549 in Federal Funds in fiscal year 2019 for services in the Nurse Family Partnership Program; and

d. $445,781 in General Revenue Funds and $429,228 in Federal Funds in fiscal year 2018, and $445,689 in General Revenue Funds and $429,228 in Federal Funds in fiscal year 2019 for agency-wide allocated support costs for the Nurse Family Partnership Program.

e. Support costs for these programs are included in the At-Risk Prevention Program, and are not included in sections (a) through (d).

32. **Preparation for Adult Living (PAL) Purchased Services.** Appropriations above in the Preparation for Adult Living (PAL) Purchased Services Program include $916,012 in General Revenue in fiscal year 2018 and $916,012 in General Revenue in fiscal year 2019 to expand the purchased services that are provided to youth in Child Protective Services substitute care that assist in the transition into adulthood.

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b. $320,669 in General Revenue Funds and $12,265,549 in Federal Funds in fiscal year 2018, and $320,669 in General Revenue Funds and $12,265,549 in Federal Funds in fiscal year 2019 for services in the Nurse Family Partnership Program.

c. Support costs for these programs are included in Strategy C.1.6, At-Risk Prevention Programs, and are not included in sections (a) and (b). Support costs for these programs may not exceed 20 percent of the total amounts described in sections (a) and (b).

32. **Cash Flow Contingency.** The Department of Family and Protective Services (DFPS) may temporarily utilize General Revenue funds appropriated in all Strategies in Goal E, Indirect Administration, and in all Strategies in Goal F, Agency-wide Automated Systems, pending the receipt of federal reimbursement, in an amount not to exceed 75 percent of the amount as

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specified in the Notification Letter of Federal Award or contract to be received in each fiscal year of the biennium. The General Revenue amounts utilized above in the General Revenue method of finance for these two strategies must be repaid upon receipt of federal reimbursement and shall be utilized only for the purpose of temporary cash flow needs. The transfer and reimbursement of funds shall be made under procedures established by the Comptroller of Public Accounts to ensure all borrowed funds are reimbursed to the Treasury on or before August 31, 2019. In the event that cash flow contingency amounts are not returned in a timely manner, the Legislative Budget Board may direct that the Comptroller of Public Accounts lapse the related amounts. DFPS shall report all transfers of General Revenue to the Legislative Budget Board and the Governor in the required Monthly Financial Report.

33. Contingency for Senate Bill 11.

a. Appropriations above in the CPS Direct Delivery Staff Program, include $3,474,266 in General Revenue and $386,030 in Federal Funds in fiscal year 2018, and $2,252,066 in General Revenue and $250,230 in Federal Funds in fiscal year 2019, contingent upon passage and enactment of Senate Bill 11, or similar legislation relating to the oversight of case management services, by the Eighty-fifth Legislature, Regular Session.

b. Contingent on the enactment of Senate Bill 11, or similar legislation related to the transfer of case management services to community-based foster care providers, appropriations and Full-time Equivalents (FTE) shall be aligned to amounts necessary, as determined by the Legislative Budget Board, to reflect the revised case management functions at DFPS.

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34. **Child Protective Services Special Investigators.** Out of the Full-time Equivalent (FTE) cap listed above for the Department of Family and Protective Services (DFPS), the agency may utilize any Child Protective Services (CPS) Special Investigator to assist dedicated Information Analysts by providing additional up-to-date background information on households currently under DFPS investigations to the related CPS caseworkers.	
	34. **Additional Funding for Improvements to Foster Care Services.** In addition to other amounts appropriated to the Department of Family and Protective Services, the amount of $10,750,000 is appropriated from general revenue to the agency for the fiscal year ending August 31, 2018, and $10,750,000 is appropriated from general revenue to the agency for the fiscal year ending August 31, 2019, to provide for costs associated with improvements to foster care services provided by the Department of Family and Protective Services.
	35. **Additional Appropriation.** In addition to the other amounts appropriated to the Department of Family and Protective Services under this Act, the amount of $21,500,000 is appropriated out of the general revenue fund to the Department of Family and Protective Services for the state fiscal biennium ending August 31, 2019. Of the additional money appropriated to the department by this rider, half of the amount appropriated shall be used for Strategy B.1.1, CPS Direct Delivery Staff (page II-1), and half of the amount appropriated shall be used for Strategy D.1.1, APS Direct Delivery Staff (page II-2).
35. **Contingency for Community-based Foster Care Appropriations.** Appropriations above in the Foster Care Payments Program include $4,901,119 in General Revenue and $5,932,207 in All Funds in fiscal year 2019 to expand to three additional regions, contingent upon Legislative	

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Budget Board (LBB) approval. Approval shall be contingent upon the Department of Family and Protective Services (DFPS) providing the LBB a copy of the finalized contract to expand community-based care into one new region beginning in fiscal year 2018 and meeting all related reporting requirements included in Rider 21, Foster Care Redesign.

The request shall be considered to be disapproved unless the Legislative Budget Board issues a written approval within 30 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request and forwards the review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days.

36. Prevention and Early Intervention Full-time Equivalents. Appropriations above in the Prevention Services Program Area include $153,893 in General Revenue and $158,639 in All Funds in fiscal year 2018 and $153,894 in General Revenue and $158,640 in All Funds in fiscal year 2019 to fund 1.0 additional Full-time Equivalent (FTE) position in Prevention and Early Intervention Research, Evaluation, and Quality Monitoring, and 1.0 additional FTE position in the Office of Child Safety for Child Maltreatment.

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36. Study on Provision of Services to Victims of Sex Trafficking in Foster Care.

a. It is the intent of the legislature that the Department of Family and Protective Services, out of funds appropriated above, collaborate with the Legislative Budget Board to conduct a study to: (1) develop department standards for the placement capacity needed to provide services to children who are victims of sex trafficking; and (2) make recommendations as to the placement capacity and number of licensed facilities required statewide to provide services to children who are victims of sex trafficking.

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b. Not later than April 1, 2018, the Department of Family and Protective Services shall report the findings and recommendations of the study conducted under Subsection (a) of this section to the executive commissioner of the Health and Human Services Commission.

37. Utilization of Appropriate Levels of Care in Foster Care; Reporting Requirements. Out of funds appropriated above, the Department of Family and Protective Services (DFPS) shall submit a plan to ensure foster children are placed in the most appropriate level of care. The plan shall address steps the department will take to avoid increased costs of foster care from children moving to more expensive levels when they become available or from higher than anticipated utilization of new levels including intense plus and treatment foster family rates. Additionally, the plan shall address reducing utilization of child-specific contracts when additional options for placement become available. DFPS shall submit the plan to the Legislative Budget Board no later than December 1, 2017.

Additionally, the department shall monitor utilization trends and provide quarterly reports to the Legislative Budget Board identifying any significant changes in distribution of children by level of care, including the fiscal impact of those changes. For any quarterly report with a negative fiscal impact, the report must identify any steps the department plans to take to mitigate the fiscal impact. Quarterly reports must be submitted within 30 days of the end of a fiscal quarter.

DFPS shall prepare a report comparing the distribution of children across levels of care prior to and after implementation of new levels. The report shall be submitted to the Legislative Budget Board no later than December 1, 2018.

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38.	**Contingency for Senate Bill 203.** Appropriations above in the Permanency Care Assistance Payments Program, include $1,345,102 in General Revenue and $796,260 in Federal Funds in fiscal year 2018, and $3,810,792 in General Revenue and $2,186,250 in Federal Funds in fiscal year 2019, contingent upon passage and enactment of Senate Bill 203, or similar legislation relating to the continuation of the Permanency Care Assistance Program by the Eighty-fifth Legislature, Regular Session.	
39.	**Faith and Community Based Partner Coordination.** To the extent allowed by federal and state regulations, and in accordance with Ch. 535 of the Government Code, the Department of Family and Protective Services (DFPS) shall use appropriations included in the Prevention Services Program Area to develop and implement a coordinated and comprehensive strategy for engaging and collaborating with faith and community based partners, including the designation of a single point of contact for public and community partners.	
40.	**Office of the Ombudsman.** Out of the total Full-time Equivalents (FTEs) listed above for the Department of Family and Protective Services, the agency shall allocate an additional 3.0 FTEs in each fiscal year of the biennium for the agency's Office of the Ombudsman to increase the number of youth served by this office.	
41.	**Youth Homelessness.** Out of funds appropriated above in the Services to At-risk Youth (STAR) Program, the Department of Family and Protective Services may allocate up to $1,500,000 in each fiscal year of the 2018-19 biennium to assist regional urban areas in providing services to unaccompanied homeless youth and homeless young adults under the age of 24. Eligible services may include case management, emergency shelter, street outreach, and	

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transitional living. The agency shall distribute these funds through STAR contracts in the eight largest cities per the latest decennial U.S. Census figures.	
43. Federal Funds Maximization. Out of funds appropriated above in the Indirect Administration Program, the Department of Family and Protective Services (DFPS) shall contract with a cost-allocation expert to identify which DFPS services can be funded through Medicaid and Title IV-E Federal Funds. DFPS shall submit a report to the Legislative Budget Board (LBB) no later than August 31, 2018 that includes: 1) how Medicaid and Title IV-E federal funds can be maximized in the 2020-2021 biennium; 2) the impact implementation would have, including the subsequent cost to the state; 3) any required steps to implement these finding; and 4) any additional information as requested by the LBB.	
44. Rate Increases for Foster Care Providers. Included in the amounts appropriated above in the Foster Care Payments Program, is $78,321,993 in General Revenue and $94,301,444 in All Funds in the 2018-19 biennium for rate increases for certain providers in the foster care legacy system. The funding is intended to provide the following per child per day rate effective September 1, 2017:	

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a. Basic Foster Family: $25.72

b. Basic Child Placing Agency: $46.05

c. Moderate Foster Family: $45.00

d. Moderate Child Placing Agency: $80.79

e. Moderate Residential Facility: $142.32

f. Specialized Foster Family: $57.86

g. Specialized Child Placing Agency: $107.06

h. Specialized Residential Facility: $187.81

i. Intense Foster Family: $102.87

j. Intense Child Placing Agency: $195.58

k. Intense Residential Facility: $263.50

l. Intense Plus: $380.68

m. Emergency Care Services: $168.50

n. Treatment Foster Care: $263.50

Based on these rates, appropriations above in the Foster Care Payments Program, include $4,927,991 in General Revenue and $7,226,053 in All Funds in the 2018-19 biennium for rate

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increases for certain providers in the Foster Care Redesign system. The funding is intended to provide a Foster Care Redesign Blended Rate of $79.85 effective September 1, 2017.	
45. TWC Day Care Purchased Services Eligibility. To the extent allowed by federal and state regulations, and within existing appropriations, appropriations to the TWC Contracted Day Care Purchased Services Program may be used to provide day care services to any caregiver working at least 30 hours per week.	

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13. **Cardiovascular Disease and Stroke Projects.** Out of funds appropriated above in Strategy A.3.1, Chronic Disease Prevention, the Department of State Health Services (DSHS) may expend $2,014,013 in General Revenue Funds over the 2018-19 biennium for the purpose of funding cardiovascular disease and stroke projects. Out of these funds, DSHS shall allocate $1,500,000 of those funds over the biennium to the University of Texas System for the administration of the statewide stroke clinical research network, Stroke System of Care Coordination (Lone Star Stroke), and $514,013 of these funds over the biennium for the Stroke/SEMI (St-Segment Elevation Myocardial Infarction) Data Collection for data collection activities.	**13.** **Cardiovascular Disease.** Out of funds appropriated above in Strategy A.3.1, Chronic Disease Prevention, the Department of State Health Services (DSHS) may expend $514,013 in General Revenue Funds over the 2018-19 biennium for the Stroke/SEMI (St-Segment Elevation Myocardial Infarction) Data Collection for data collection activities.
16. **HIV/STD Screenings.** Out of funds appropriated above to Strategy A.2.2, HIV/STD Prevention, the Department of State Health Services shall allocate an additional $250,000 in General Revenue in each fiscal year to provide an option for an HIV/STD screening during routine checkups to residents in metropolitan statistical areas with the highest rate or instances of HIV/STD cases.	
24. **Unexpended Balances: Credit Card and Electronic Services Related Fees.** Included in amounts appropriated above in Strategy A.1.2, Vital Statistics, are any unexpended and unobligated balances remaining as of August 31, 2017 (estimated to be $2,500,000) in Object Code 3879, Credit Card and Electronic Services Related Fees, in General Revenue-Dedicated Account No. 19, Vital Statistics Account, as provided in Article IX, §8.10, Appropriation of Receipts: Credit, Charge, Debit Card, or Electronic Cost Recovery Services Fees, of this Act, relating to appropriation of credit, charge, or debit card service fees, for the fiscal year beginning September 1, 2017 for the TxEver Project, maintenance, and ongoing operations related to TxEver.	**23.** **Unexpended Balances: Credit Card and Electronic Services Related Fees.** Included in amounts appropriated above in Strategy A.1.2, Vital Statistics, are any unexpended and unobligated balances remaining as of August 31, 2017 (not to exceed $4,097,718) in Object Code 3879, Credit Card and Electronic Services Related Fees, in General Revenue-Dedicated Account No. 0019, Vital Statistics Account, as provided in Article IX, §8.10, Appropriation of Receipts: Credit, Charge, Debit Card, or Electronic Cost Recovery Service Fees, of this Act, relating to appropriation of credit, charge, or debit card service fees, for the fiscal year beginning September 1, 2017 for the following capital budget projects only:

Senate

Any unexpended balances remaining as of August 31, 2018 are appropriated for the fiscal year beginning September 1, 2018 for the same purpose.

House

a. Vital Records Project (TxEver) (not to exceed $2,600,000);

b. Controlled Access and Surveillance - Vital Statistics (not to exceed $560,000);

c. Vital Records Preservation (not to exceed $837,718); and

d. Microfilming Equipment - Vital Statistics (not to exceed $100,000).

Any unexpended balances remaining from amounts appropriated herein as of August 31, 2018 are appropriated for the fiscal year beginning September 1, 2018 for the same purpose.

No later than November 1 of each fiscal year, the Department of State Health Services (DSHS) shall report to the Legislative Budget Board the amount of unexpended balances of Credit Card and Electronic Services Related Fees from the previous fiscal year. The report shall also include the amounts expended on each of the projects listed in parts (a) through (d) above in the previous fiscal year.

28. **Reimbursement of Advisory Committee Members.** Pursuant to Government Code §2110.004, or the statute authorizing the specific committee for those committees not subject to Government Code §2110.004, reimbursement of expenses for advisory committee members, out of funds appropriated above not to exceed $200,000 per fiscal year, is limited to the following advisory committees: Texas Radiation Advisory Board, Preparedness Coordinating Council, and Governor's Emergency Medical Services and Trauma Advisory Council.

Pursuant to Government Code §2110.004, or the statute authorizing the specific committee for those committees not subject to Government Code §2110.004, reimbursement of expenses for advisory committee members, out of funds appropriated above, is limited to any advisory committee member who represents either the general public or consumer on the following advisory committees: Texas HIV Medication Advisory Committee, Promotora Community

27. **Reimbursement of Advisory Committee Members.** Pursuant to Government Code §2110.004, or the statute authorizing the specific committee for those committees not subject to Government Code §2110.004, reimbursement of expenses for advisory committee members, out of funds appropriated above not to exceed $200,000 per fiscal year, is limited to the following advisory committees: Texas Radiation Advisory Board, Preparedness Coordinating Council, Governor's Emergency Medical Services and Trauma Advisory Council Statewide Health Coordinating Council, Texas Council on Alzheimer's Disease and Related Disorders, Texas Council on Cardiovascular Disease and Stroke, and Texas Diabetes Council.

Pursuant to Government Code §2110.004, or the statute authorizing the specific committee for those committees not subject to Government Code §2110.004, reimbursement of expenses for advisory committee members, out of funds appropriated above, is limited to any advisory

Senate

Health Worker Training and Certification Committee, Healthcare Safety Advisory Committee, and School Health Advisory Committee.

To the maximum extent possible, the Department of State Health Services shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

32. **Immunization Programs Improvement.** The Department of State Health Services (DSHS) shall identify and report on efficiencies and program improvements for the Vaccine for Children and the Adult Safety Net Programs that improve the cost effectiveness and quality

House

committee member who represents either the general public or consumer on the following advisory committees: Texas HIV Medication Advisory Committee, Promotora Community Health Worker Training and Certification Committee, Healthcare Safety Advisory Committee, and School Health Advisory Committee.

To the maximum extent possible, the Department of State Health Services shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

31. **Emerging and Neglected Tropical Diseases Sentinel Surveillance.** Out of funds appropriated above in Strategy A.2.3, Infectious Disease Prevention, Epidemiology, and Surveillance, the Department of State Health Services (DSHS) shall implement a sentinel surveillance program to monitor emerging and neglected tropical diseases, as outlined in Health and Safety Code, Chapter 100.

Beginning in the fiscal year beginning September 1, 2017, DSHS shall submit a quarterly report to the Legislative Budget Board outlining program implementation and performance, due 30 days after the close of each fiscal quarter. If DSHS does not implement the program, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the agency's authority in Strategy E.1.1, Central Administration, by the amount the Legislative Budget Board estimates DSHS would need to operate the program.

Senate	House
of the programs, simplify the administration of the programs for the Department and participating providers including seeking administrative and regulatory flexibility from the Centers for Disease Control and Prevention, expand the number and types of providers participating in the program, expand access to services for individuals eligible for the program, include stakeholder input and feedback, and ensure accountability throughout the program.	
33. **Tobacco Prevention Programs for Youth.** Out of funds appropriated above in Strategy A.3.2, Reduce Use of Tobacco Products, funds provided for activities targeting prevention of youth experimentation with nicotine-containing products shall only be expended on evidence-based and promising practices.	**33.** **Tobacco Prevention Funding.** Out of funds appropriated above to Strategy A.3.2, Reduce Use of Tobacco Products, the Department of State Health Services shall not expend any funds on paid media activities.
	34. **Cause of Death Data Improvement.** Out of funds appropriated above in Strategy A.1.2, Vital Statistics, the Department of State Health Services (DSHS) shall study the quality of cause of death data on death certificates. DSHS shall examine the current process of collecting cause of death information and any challenges relating to the quality of the information including, but not limited to, accuracy, completeness, medical certifier roles and perceptions, and structural, procedural, and technological issues. DSHS shall consult national standards regarding collection of cause of death information and may convene a panel of experts to advise the Department. DSHS shall submit a report including findings, potential program improvements, and any recommended statutory changes for enhancing the quality of cause of death information collection on death certificates to the Lieutenant Governor, Speaker of the House, Legislative Budget Board and the permanent standing committees in the House and the Senate with jurisdiction over health and human services by October 1, 2018.

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	35. Newborn Screening Payment. Out of funds appropriated above in Strategy A.4.1, Laboratory Services, the Department of State Health Services (DSHS) shall study the most effective way to bill private insurers for newborn screening kits. The study should include the feasibility of requiring the division of DSHS with primary responsibility over performing newborn screening kits to bill private insurers for the cost of newborn screening kits that will be administered and of requiring private insurers to automatically update their payment rates for the cost of newborn screening kits based on panel charges. DSHS shall submit a report including findings and recommendations to the Legislative Budget Board and the permanent standing committees of the Senate and House with primary jurisdiction over appropriations and health and human services no later than September 1, 2018.
35. Local Health Department Performance Measures. Out of funds appropriated above, the Department of State Health Services (DSHS) shall coordinate with the Public Health Funding and Policy Committee and other stakeholders to develop a list of high priority performance measures for local health departments (LHDs) who receive state-funded grants from DSHS. DSHS shall submit a report including the performance measures and plans to utilize the performance measures in determination of grant distribution to LHDs to the Legislative Budget Board, and members of the Senate Finance Committee no later than September 1, 2018.	
36. Regional Advisory Council Funding: Informational Listing. This rider is informational only and does not make any appropriations. Funding for Regional Advisory Councils is	

Senate

included above in Strategy B.2.1, EMS and Trauma Care Systems from the following accounts: General Revenue; General Revenue-Dedicated Account No. 5007, Commission on State Emergency Communications; General Revenue-Dedicated Account No. 5046, Permanent Fund for Emergency Medical Services and Trauma Care; General Revenue-Dedicated Account No. 5108 EMS, Trauma Facilities, Trauma Care Systems; and General Revenue-Dedicated Account No. 5111, Designated Trauma Facility and EMS.

The Department of State Health Services shall communicate funding distribution amounts, timeframes, and any changes to Regional Advisory Councils in a timely manner.

House

36. **Evaluation of Immunization Programs.** Out of funds appropriated above in Strategy A.2.1, Immunize Children and Adults in Texas, the Department of State Health Services (DSHS) shall study and assess the Vaccines for Children and the Adult Safety Net programs in order to identify methods to:

1) Improve the cost effectiveness and quality of the programs;
2) Simplify the administration of the programs for the Department and participating providers, including seeking administrative and regulatory flexibility from the Centers for Disease Control and Prevention;
3) Expand the number and types of providers participating in the program;
4) Expand access to services for individuals eligible for the program;
5) Include stakeholder input and feedback; and
6) Ensure accountability throughout the program.

DSHS shall submit a report outlining any identified efficiencies and program improvements to the Legislative Budget Board and the permanent standing committees of the Senate and House with primary jurisdiction over health and human services by September 1, 2018.

Senate

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37. **Zika Virus Preparedness and Prevention.** Out of funds appropriated above in Strategy A.2.3, Infectious Disease Prevention, Epidemiology and Surveillance, the Department of State Health Services shall allocate a minimum of $250,000 each fiscal year to fund Zika virus preparedness and prevention in the Texas-Mexico border region.

38. **Accuracy of Death Certificate of Pregnant Person or Person Recently Pregnant.** It is the intent of the Legislature that, out of funds appropriated above and designated for the Vital Records Project (TxEver) in Rider 2, Capital Budget (page II-19), in Subsection c.(1), the Department of State Health Services use $100,000 for the purpose of developing and implementing an electronic process for determining in real time whether a person was pregnant at the time of death or was pregnant at any time in the year preceding the person's death to ensure the accuracy of that person's death certificate.

39. **Report on Compounding Outsourcing Facilities.**

(a) The Department of State Health Services, using funds appropriated by this Act, shall review the department's rules, regulations, and licensing procedures for compounding outsourcing facilities registered under Section 503B of the Federal Food Drug, and Cosmetic Act (21 U.S.C. Section 353b).

(b) The department shall examine how to:

(1) achieve better alignment between state and federal regulations;

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	(2) achieve better compliance with the Drug Quality and Security Act (Pub. L. No. 113-54, Section 102(a)); and (3) minimize regulatory overlap. (c) The department shall report findings and recommendations regarding rules, regulations, and licensing procedures for compounding outsourcing facilities to the legislature not later than January 1, 2019. (d) If the study contemplates the ability of an outsourcing facility to dispense directly to a patient, the report under Subsection (c) of this provision shall include proposed recommended outsourcing facility licensing requirements that comply with rules adopted by the Texas State Board of Pharmacy.

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10. **Hospital Uncompensated Care.** No funds appropriated under this Article for medical assistance payments may be paid to a hospital if the Health and Human Services Commission (HHSC) determines that the hospital has not complied with the commission's reporting requirements. HHSC shall ensure that the reporting of uncompensated care (defined to include bad debt, charity care and unreimbursed care) by Texas hospitals is consistent for all hospitals and subjected to a standard set of adjustments that account for payments to hospitals that are intended to reimburse uncompensated care. These adjustments are to be made in such a way that a reliable determination of the actual cost of uncompensated care in Texas is produced. The commission shall conduct an appropriate number of audits to assure the accurate reporting of uncompensated hospital care costs. HHSC shall submit a biennial report on uncompensated care costs to the Governor and Legislative Budget Board no later than December 1, 2018, which details the impact of patient specific and lump sum funding as offsets to uncompensated costs, impact of health care reform efforts on the funding streams that reimburse uncompensated care, and assess the need for those funding streams in future biennia. HHSC may report by hospital type.	**10.** **Hospital Uncompensated Care.** No funds appropriated under this Article for medical assistance payments may be paid to a hospital if the Health and Human Services Commission (HHSC) determines that the hospital has not complied with the commission's reporting requirements. HHSC shall ensure that the reporting of uncompensated care (defined to include bad debt, charity care and unreimbursed care) by Texas hospitals is consistent for all hospitals and subjected to a standard set of adjustments that account for payments to hospitals that are intended to reimburse uncompensated care. These adjustments are to be made in such a way that a reliable determination of the actual cost of uncompensated care in Texas is produced. The commission shall conduct an appropriate number of audits to assure the accurate reporting of uncompensated hospital care costs. HHSC shall submit a biennial report on uncompensated care costs to the Governor and Legislative Budget Board no later than December 1, 2018, which details the impact of patient specific and lump sum funding as offsets to uncompensated costs, impact of health care reform efforts on the funding streams that reimburse uncompensated care, assess the need for those funding streams in future biennia, and consider which funds might be redirected. HHSC may report by hospital type.
36. **Health and Human Services Cost Containment.** The Health and Human Services Commission (HHSC) shall develop and implement cost containment initiatives to achieve savings throughout the health and human services system. These initiatives shall include the following, if HHSC determines them to be cost-effective: (1) Increasingfraud, waste, and abuse prevention and detection; (2) Evaluating reimbursement for dual eligibles;	**36.** **Medicaid Funding Reduction and Cost Containment.** a. Included in appropriations above in Goal A, Medicaid Client Services, is a reduction of $55,400,000 in General Revenue Funds and $65,794,349 in Federal Funds in fiscal year 2018 and $55,400,000 in General Revenue Funds and $67,205,813 in Federal Funds in fiscal year 2019, a biennial total of $110,800,000 in General Revenue Funds and $133,000,162 in Federal Funds. The Health and Human Services Commission (HHSC) is authorized to transfer these reductions between fiscal years and to allocate these reductions among health and human services agencies as listed in Article II of this Act, pursuant to the requirement to submit a plan included in Subsection (c) of this rider.

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(3) Improving prior authorization and utilization review for non-emergent air ambulance services;

(4) Reviewing utilization and evaluating appropriateness of rates for durable medical equipment;

(5) Increasing third party recoupments;

(6) Implementing a pilot program on motor vehicle subrogation;

(7) Achieving efficiencies in the printing and distribution of Medicaid identification cards;

(8) Enforcing the limitations on recipient disenrollment from managed care plans pursuant to Government Code, §533.0076; and

(9) Achieving other programmatic efficiencies.

HHSC shall provide a plan to the Legislative Budget Board to implement cost containment initiatives by December 1, 2017. For initiatives determined not to be cost effective, the agency shall submit the analysis underlying that determination with the plan.

HHSC shall achieve savings of at least $410.0 million in General Revenue Funds and $590.0 million in Federal Funds for the 2018-19 biennium through the initiatives identified above and initiatives identified in Rider 178, Managed Care Risk Margin, Rider 182, Managed Care Contract Procurement, Rider 196, Contingency for Senate Bill 1787, and Rider 192, Prescription Drug Savings.

House

b. This reduction shall be achieved through the implementation of the plan described under subsection (c) which may include any or all of the following initiatives:

(1) Continue strengthening and expanding prior authorization and utilization reviews,

(2) Incentivize appropriate neonatal intensive care unit utilization and coding,

(3) Pursuant to Human Resources Code §§32.064 and 32.0641, maximize co-payments in Medicaid programs,

(4) Increase fraud, waste, and abuse prevention detection and collections,

(5) Explore changes to premium structure for managed care organizations and contracting tools to reduce costs and increase efficiency,

(6) Implement fee-for-service payment changes and managed care premium adjustments that incentivize the most appropriate and effective use of services,

(7) Increase efficiencies in the vendor drug program,

(8) Increase third party recoupments,

(9) Implement a pilot program on motor vehicle subrogation,

(10) Continue to pursue efficiencies in eligibility determination and processing by using self-service options to submit applications,

(11) Implement facility cost savings by reducing leased space or decommissioning buildings,

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	(12) Recoup administrative costs for programs HHSC administers for other entities, such as the School Health and Related Services Program (SHARS), (13) Seek flexibility from the federal government to improve the efficiency of the Medicaid program, (14) Implement actions necessary to effect an increase in experience rebates, (15) Provide incentives for the completion of health risk screenings and engagement in healthy behaviors that address identified high-cost risk factors, and (16) Implement additional initiatives identified by HHSC. c. HHSC shall develop a plan to allocate the reductions required by Subsection (a) of this rider by taking actions such as those suggested under Subsection (b) of this rider to the budgets of the health and human services agencies as listed in Article II of this Act. The plan shall include reduction amounts by strategy and fiscal year and shall be submitted in writing before December 1, 2017 to the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts.
48. Healthy Community Collaboratives. Out of funds appropriated above, the Health and Human Services Commission (HHSC) shall allocate up to $25,000,000 in General Revenue over the biennium in Strategy D.2.3, Community Mental Health Crisis Svcs to fund grants pursuant to Government Code, §539.001.008. If a collaborative also receives funds from the Texas Department of Housing and Community Affairs (TDHCA), then HHSC shall ensure that the grant funding under this section is in coordination with the funds from TDHCA.	**49. Healthy Community Collaboratives.** Out of General Revenue appropriated above, the Health and Human Services Commission (HHSC) shall allocate an amount not to exceed $25,000,000 in General Revenue over the biennium in Strategy D.2.3, Community Mental Health Crisis Svcs, to fund Healthy Community Collaboratives. Out of the $25,000,000 in General Revenue allocated to fund Healthy Community Collaboratives above, $10,000,000 may be allocated to fund Healthy Community Collaboratives in rural areas. If a collaborative

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	Any unexpended balances remaining as of August 31, 2018 are appropriated to HHSC for the same purposes in the fiscal year beginning September 1, 2018. HHSC shall use funds for these purposes to the extent allowed by state law. HHSC shall also report to the Legislative Budget Board and the Governor the amount and type of expenditure and progress of the project by December 1, 2018. (Former DSHS Rider 64)	also receives funds from the Texas Department of Housing and Community Affairs (TDHCA), then HHSC shall ensure that the grant funding under this section is in coordination with the funds from TDHCA. Any unexpended balances remaining as of August 31, 2018 are appropriated to HHSC for the same purposes in the fiscal year beginning September 1, 2018. HHSC shall use funds for these purposes to the extent allowed by state law. HHSC shall also report to the Legislative Budget Board and the Governor the amount and type of expenditure and progress of the project by December 1, 2018. (Former DSHS Rider 64)
49.	**Mental Health Peer Support Re-entry Pilot.** Out of funds appropriated above, the Health and Human Services Commission (HHSC) through a Memorandum of Understanding shall allocate up to $1,000,000 in General Revenue for the 2018-19 biennium from Strategy D.2.1, Community Mental Health Svcs-Adults, to implement a mental health peer support re-entry program. HHSC, in partnership with Local Mental Health Authorities and county sheriffs, shall establish a pilot program that uses certified peer support specialists to ensure inmates with a mental illness successfully transition from the county jail into clinically appropriate community-based care. (Former DSHS Rider 73)	
50.		**Mental Health Peer Support Re-entry Pilot.** Included in funds appropriated above, in Strategy D.2.1, Community Mental Health Svcs-Adults, is $5,000,000 that the Health and Human Services Commission (HHSC) shall allocate through a Memorandum of Understanding for the 2018-19 biennium, to implement a mental health peer support re-entry program and improve statewide capacity for peer certification. HHSC, in partnership with Local Mental Health Authorities and county sheriffs, shall establish a pilot program that uses certified peer support specialists to ensure inmates with a mental illness successfully transition from the county jail into clinically appropriate community-based care. HHSC shall submit a report to the Governor's Office and the Legislative Budget Board on the program that includes the total population to be served and client outcome measures by December 1, 2018. (Former DSHS Rider 73)
51.		**Sharing of Non-Individually Identifiable Health Information.** Out of funds appropriated above and consistent with all federal and state requirements, the Health and Human Services Commission shall collaborate with a third-party entity to identify opportunities to improve the

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	efficiency of behavioral health care delivery. HHSC shall provide necessary non-individually identifiable health information for this purpose including, but not limited to, Medicaid Fee-for-Service claims, Medicaid Managed Care Organization Encounter data, General Revenue-funded inpatient and outpatient encounter data, and NorthSTAR claims and encounter data.
53. **Breast and Cervical Cancer Services Program: Providers.** No funds appropriated above may be expended by the Health and Human Services Commission's Breast and Cervical Cancer Services Program in Strategy D.1.1, Women's Health Program, to compensate providers that would be ineligible to receive funding to provide Breast and Cervical Cancer Services pursuant to Texas Administrative Code §392.607. If HHSC is unable to locate a sufficient number of eligible providers in a certain region, the agency may compensate other local providers for the provision of breast and cervical cancer screening services. (Former DSHS Rider 72)	**57.** **Breast and Cervical Cancer Services Program: Providers.** No funds appropriated above may be expended by the Health and Human Services Commission's Breast and Cervical Cancer Services Program in Strategy D.1.1, Women's Health Program, to compensate providers that would be ineligible to receive funding to provide Breast and Cervical Cancer Services pursuant to Texas Administrative Code §392.607. If HHSC is unable to locate a sufficient number of eligible providers offering permanent services in a certain region, the agency may compensate other local providers that may be otherwise ineligible for the provision of breast and cervical cancer screening services.
	53. **Increased Access to Community Mental Health Services.** Included in amounts appropriated above is $62,208,900 in General Revenue in Strategy D.2.1, Community Mental Health Svcs-Adults, for the purpose of eliminating the waiting list for community mental health services for adults, and $464,100 in General Revenue in Strategy D.2.2, Community Mental Hlth Svcs-Children, for the purpose of eliminating the waiting list for community mental health services for children. It is the intent of the Legislature that any of the funds identified above that cannot be used for this purpose shall be allocated among Local Mental Health Authorities with below average per capita funding levels to increase equity in funding allocations.

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	54. **Integrated Care Study for Veterans with Post-Traumatic Stress Disorder.** Out of funds appropriated above, and in accordance with the requirements of HB 3404, Eighty Fourth Legislature, Regular Session, 2015, and Rider 9, Integrated Care Study for Veterans with Post-Traumatic Stress Disorder, in the University of Texas Health Science Center at Houston's bill pattern, the Health and Human Services Commission shall coordinate with the University of Texas Health Science Center at Houston to conduct a study on the benefits of providing integrated care to veterans with post-traumatic stress disorder.
56. **Women's Health Programs: Savings and Performance Reporting.** The Health and Human Services Commission shall submit an annual report, due February 1 of each year, to the Legislative Budget Board and the Governor's Office that includes the following information: a. Enrollment levels of targeted low-income women and service utilization by geographic region, delivery system, and age from the prior two fiscal years. b. Savings or expenditures in the Medicaid program that are attributable to enrollment levels as reported in section (a). c. Descriptions of all outreach activities undertaken for the reporting period. d. The total number of providers, by geographic region, enrolled in the Healthy Texas Women Program and Family Planning Program networks, and providers from legacy Women's Health Programs (including Texas Women's Health Program) not to include duplications of providers or ancillary providers. e. The average and median numbers of program clients per provider.	**60.** **Women's Health Programs: Savings and Performance Reporting.** The Health and Human Services Commission shall submit a bi-annual report, due February 1 and August 1 of each year, to the Legislative Budget Board and the Governor's Office that includes the following information: a. Enrollment levels of targeted low-income women and service utilization by geographic region, including total number of unduplicated patients served, delivery system, and age from each prior fiscal year since fiscal year 2011. b. Savings or expenditures in the Medicaid program that are attributable to enrollment levels as reported in section (a). c. Descriptions of all outreach activities undertaken for the reporting period. d. The total number of providers, by geographic region, enrolled in the Healthy Texas Women Program and Family Planning Program networks, and providers from legacy Women's Health Programs (including Texas Women's Health Program) not to include duplications of providers or ancillary providers.

Senate

f. The count of women in the Healthy Texas Women Program and the Family Planning Program receiving a long-acting reversible contraceptive.

It is the intent of the Legislature that if the findings of the report show a reduction in women enrolled or of service utilization of greater than 10 percent relative to calendar year 2011, the agency shall, within existing resources, undertake corrective measures to expand provider capacity and/or client outreach and enrollment efforts.

58. Prohibition on Abortions: Healthy Texas Women Program and Family Planning Program.

a. It is the intent of the Legislature that no funds shall be used to pay the direct or indirect costs (including overhead, rent, phones and utilities) of abortion procedures provided by contractors of the Health and Human Services Commission (HHSC).

b. It is also the intent of the Legislature that no funds appropriated to the Healthy Texas Women Program or the Family Planning Program under Strategy D.1.1, Women's Health Program, shall be distributed to individuals or entities that perform elective abortion procedures or that contract with or provide funds to individuals or entities for the performance of elective abortion procedures.

c. HHSC shall include in its financial audit a review of the use of appropriated funds to ensure compliance with this section.

House

e. The average and median numbers of program clients, and the total number of unduplicated patients seen, detailed by provider.

f. The count of women in the Healthy Texas Women Program and the Family Planning Program receiving a long-acting reversible contraceptive.

g. The service utilization by procedure code. The bi-annual report submitted as required above must satisfy federal reporting requirements that mandate the most specific, accurate, and complete coding and reporting for the highest level of specificity.

It is the intent of the Legislature that if the findings of the report show a reduction in women enrolled or of service utilization of greater than 10 percent relative to calendar year 2011, the agency shall, within existing resources, undertake corrective measures to expand provider capacity and/or client outreach and enrollment efforts.

62. Prohibition on Abortions: Healthy Texas Women Program and Family Planning Program.

a. It is the intent of the Legislature that no funds shall be used to pay the direct or indirect costs (including marketing, overhead, rent, phones and utilities) of abortion procedures provided by contractors of the Health and Human Services Commission (HHSC).

b. It is also the intent of the Legislature that no funds appropriated to the Healthy Texas Women Program or the Family Planning Program under Strategy D.1.1, Women's Health Program, shall be distributed to individuals or entities that perform elective abortion procedures or that contract with or provide funds to individuals or entities for the performance of elective abortion procedures.

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	c. HHSC shall include in its financial audit a review of the use of appropriated funds to ensure compliance with this section.
68. Limitation on Federal Funds Appropriations for Early Childhood Intervention Services. Included in the amounts appropriated above in Strategy D.1.3, ECI Services, is $37,342,246 in fiscal year 2018 and $40,967,463 in fiscal year 2019 from federal Special Education Grants for Infants and Families (IDEA Part C) funds. The Health and Human Services Commission's (HHSC) total expenditures of IDEA Part C federal funds in each fiscal year in Strategy D.1.3, ECI Services, may not exceed the amounts specified in this rider without written approval from the LBB and the Governor. To request approval, HHSC shall submit in a timely manner a written request before expending the funds. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information by fiscal year: a. A detailed explanation of the proposed use of the additional funds and whether the expenditures will be one-time or ongoing. b. The available balance after the expenditure of the funds. c. An estimate of the impact to performance levels and/or targets included in this Act. (Former DARS Rider 11)	**72. Limitation on Federal Funds Appropriations for Early Childhood Intervention Services.** Included in the amounts appropriated above in Strategy D.1.3, ECI Services, is $37,342,246 in fiscal year 2018 and $40,967,463 in fiscal year 2019 from federal Special Education Grants for Infants and Families (IDEA Part C) funds. If the Health and Human Services Commission (HHSC) confirms that an unexpended balance of $19,755,178 in IDEA Part C funds from the state fiscal year ending August 31, 2017 exists, it will work with the Legislature to ensure the funds are properly appropriated. HHSC's total expenditures of IDEA Part C federal funds in each fiscal year in Strategy D.1.3, ECI Services, may not exceed the amounts specified in this rider without written approval from the LBB and the Governor. To request approval, HHSC shall submit in a timely manner a written request before expending the funds. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information by fiscal year: a. A detailed explanation of the proposed use of the additional funds and whether the expenditures will be one-time or ongoing. b. The available balance after the expenditure of the funds. c. An estimate of the impact to performance levels and/or targets included in this Act. (Former DARS Rider 11)

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73. Children with Special Health Care Needs (CSHCN).

a. Amounts appropriated above to the Health and Human Services Commission (HHSC) in Strategy D.1.7, Children with Special Needs, may only be transferred if such a transfer would not result in a loss of, or reduction in, services or persons otherwise eligible for CSHCN services, or that results in higher cost projections for the next fiscal biennium.

b. HHSC may exceed the performance measure targets identified above for the Average Monthly Caseload of CSHCN Clients Receiving Health Care Benefits to the extent funding is available to do so.

c. HHSC is directed to maintain provider reimbursement rates for Title V providers that mirror reductions in provider reimbursement rates for Medicaid providers.

d. HHSC shall submit to the Legislative Budget Board and the Governor's Office the following information on an annual basis (no later than December 1 of each fiscal year) regarding the demographics of the clients served by this program and on the program's waitlist, including income levels, insured status and citizenship.

e. HHSC shall submit to the Legislative Budget Board and the Governor's Office, at the end of each fiscal quarter, caseload and prescription drug data, and related expenditure data specific to:

(1) Forecast projections for the 36-month period beginning with the first month after the report is due; and

(2) Expenditure amounts for at least the preceding 36 months.

The data shall be submitted in a format specified by the Legislative Budget Board. (Former DSHS Rider 31)

House

77. Children with Special Health Care Needs (CSHCN).

a. Amounts appropriated above to the Health and Human Services Commission (HHSC) in Strategy D.1.7, Children with Special Needs, may only be transferred if such a transfer would not result in a loss of, or reduction in, services or persons otherwise eligible for CSHCN services, or that results in higher cost projections for the next fiscal biennium.

b. HHSC may exceed the performance measure targets identified above for the Average Monthly Caseload of CSHCN Clients Receiving Health Care Benefits to the extent funding is available to do so.

c. HHSC is directed to maintain provider reimbursement rates for Title V providers that mirror reductions in provider reimbursement rates for Medicaid providers.

d. HHSC shall submit to the Legislative Budget Board and the Governor's Office the following information on an annual basis (no later than December 1 of each fiscal year) regarding the demographics of the clients served by this program, including income levels, insured status and citizenship.

e. HHSC shall submit to the Legislative Budget Board and the Governor's Office, at the end of each fiscal quarter, caseload and prescription drug data, and related expenditure data specific to:

(1) Forecast projections for the 36-month period beginning with the first month after the report is due; and

(2) Expenditure amounts for at least the preceding 36 months.

The data shall be submitted in a format specified by the Legislative Budget Board. (Former DSHS Rider 31)

Senate

84. Funding for Child Advocacy Center Programs and Court Appointed Special Advocate Programs.

a. Included in appropriations above in Strategy F.3.2, Child Advocacy Programs, is $16,468,163 in General Revenue and $10,229,843 in General Revenue - Dedicated Compensation to Victims of Crime Account No. 0469 for the biennium for the purpose of entering into a contract with a statewide organization that shall provide training, technical assistance, evaluation services, and funds administration to support contractual requirements for local children's advocacy center programs. The statewide organization must be exempt from federal income taxation and be composed of individuals or groups of individuals who have expertise in the establishment and operation of children's advocacy center programs.

b. Included in appropriations above in Strategy F.3.2, Child Advocacy Programs, is $15,671,157 in General Revenue, $10,229,843 in General Revenue - Dedicated Compensation to Victims of Crime Account No. 0469, and $48,000 in Appropriated Receipts for the biennium for the purpose of entering into a contract with a statewide organization that shall provide training, technical assistance, and evaluation services for the benefit of local volunteer advocate programs. The statewide organization must be exempt from federal income taxation and be composed of individuals or groups of individuals who have expertise in the dynamics of child abuse and neglect and experience in operating volunteer advocate programs.

c. Notwithstanding Article IX, Section 14.01, Appropriations Transfers, Rider 130, Transfers: Authority and Limitations, and Article II Special Provisions Section 6 of this Act, the Health and Human Services Commission (HHSC) may not transfer amounts appropriated in Strategy F.3.2, Child Advocacy Programs, to any other strategy nor use those appropriations for any other purpose.

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88. Funding for Child Advocacy Center Programs and Court Appointed Special Advocate Programs.

a. Included in appropriations above in Strategy F.3.2, Child Advocacy Programs, is $18,468,163 in General Revenue and $10,229,843 in General Revenue - Dedicated Compensation to Victims of Crime Account No. 0469 for the biennium for the purpose of entering into a contract with a statewide organization that shall provide training, technical assistance, evaluation services, and funds administration to support contractual requirements for local children's advocacy center programs. The statewide organization must be exempt from federal income taxation and be composed of individuals or groups of individuals who have expertise in the establishment and operation of children's advocacy center programs.

b. Included in appropriations above in Strategy F.3.2, Child Advocacy Programs, is $17,671,157 in General Revenue, $10,229,843 in General Revenue - Dedicated Compensation to Victims of Crime Account No. 0469, and $48,000 in Appropriated Receipts for the biennium for the purpose of entering into a contract with a statewide organization that shall provide training, technical assistance, and evaluation services for the benefit of local volunteer advocate programs. The statewide organization must be exempt from federal income taxation and be composed of individuals or groups of individuals who have expertise in the dynamics of child abuse and neglect and experience in operating volunteer advocate programs.

c. Notwithstanding Article IX, Section 14.01, Appropriations Transfers, Rider 134, Transfers: Authority and Limitations, and Article II Special Provisions Section 6 of this Act, the Health and Human Services Commission (HHSC) may not transfer amounts appropriated in Strategy F.3.2, Child Advocacy Programs, to any other strategy nor use those

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d. It is the intent of the Legislature that amounts appropriated above in Strategy F.3.2, Child Advocacy Programs, to the HHSC provide funding identified by this rider to Child Advocacy Center Programs and Court Appointed Special Advocate Programs to ensure a continuity of services without disruption.

e. Within 100 days after the close of each fiscal year, HHSC shall submit a report detailing the expenditures of funds appropriated in Strategy F.3.2, Child Advocacy Programs. The report shall include information demonstrating continuity of service from the previous fiscal year, the amount of grants awarded in each of the categories listed above, the amount of expenditures for administration, the amount of expenditures from General Revenue - Dedicated Compensation to Victims of Crime Fund Account No. 0469, and oversight activities conducted relating to the child advocacy programs. The report shall be submitted to the Legislative Budget Board, the Governor, the Senate Finance Committee, and the House Appropriations Committee.

89. State Supported Living Center Oversight.

a. Department of Justice Settlement Agreement.

Not later than August 31, 2018 and August 31, 2019, the Health and Human Services Commission shall provide a status report on compliance with the Department of Justice Settlement Agreement to the Legislative Budget Board, the Office of the Governor, and the permanent standing committees in the House of Representatives and the Senate with jurisdiction over health and human services. The report shall identify completed actions

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appropriations for any other purpose. Any unexpended balances in Strategy F.3.2, Child Advocacy Programs, from fiscal year 2018 are appropriated for the same purpose in fiscal year 2019.

d. It is the intent of the Legislature that amounts appropriated above in Strategy F.3.2, Child Advocacy Programs, to the (HHSC) provide funding identified by this rider to Child Advocacy Center Programs and Court Appointed Special Advocate Programs to ensure a continuity of services without disruption.

e. Within 100 days after the close of each fiscal year, (HHSC) shall submit a report detailing the expenditures of funds appropriated in Strategy F.3.2, Child Advocacy Programs. The report shall include information demonstrating continuity of service from the previous fiscal year, the amount of grants awarded in each of the categories listed above, the amount of expenditures for administration, the amount of expenditures from General Revenue - Dedicated Compensation to Victims of Crime Fund Account No. 0469, and oversight activities conducted relating to the child advocacy programs. The report shall be submitted to the Legislative Budget Board, the Governor, the Senate Finance Committee, and the House Appropriations Committee.

93. State Supported Living Center Oversight.

a. Department of Justice Settlement Agreement.

Not later than August 31, 2018 and August 31, 2019, the Health and Human Services Commission shall provide a status report on compliance with the Department of Justice Settlement Agreement to the Legislative Budget Board, the Office of the Governor, and the permanent standing committees in the House of Representatives and the Senate with jurisdiction over health and human services. The report shall identify completed actions

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contained in the plan required under subsection (a)(1) of Department of Aging and Disability Services Rider 36 in the 2014-15 General Appropriations Act and any changes in the timeline of projected completion for remaining actions.

b. Cost Reporting.

(1) The Health and Human Services Commission shall provide actual monthly expenditure data by state supported living center to the Legislative Budget Board, on a quarterly basis, and in a format approved by the Legislative Budget Board.

(2) On a quarterly basis the Health and Human Services Commission shall provide data on cost reductions that have occurred as a result of reductions in the State Supported Living Center system census in areas including, but not limited to, staffing and employee benefits, acute care/prescription drugs, resident support (dietary, laundry, transportation, and maintenance services), and data on the impact of the declining census on collection of Quality Assurance Fee revenue.

c. Staffing.

(1) On an annual basis, the Health and Human Services Commission shall provide a staffing report to the Legislative Budget Board, the Office of the Governor, and the permanent standing committees in the House of Representatives and the Senate with jurisdiction over health and human services that includes data on turnover, fill rates, use of contractors by state supported living center and position type, initiatives undertaken during the reporting period to improve staff recruitment and retention, resources expended on the initiatives, and outcomes quantifying the impact of the initiatives.

(2) Not later than August 31, 2018, the Health and Human Services Commission shall provide a report to the Legislative Budget Board, the Office of the Governor, and the permanent standing committees in the House of Representatives and the Senate with

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contained in the plan required under subsection (a)(1) of Department of Aging and Disability Services Rider 36 in the 2014-15 General Appropriations Act and any changes in the timeline of projected completion for remaining actions.

b. Cost Reporting.

(1) The Health and Human Services Commission shall provide actual monthly expenditure data by state supported living center to the Legislative Budget Board, on a quarterly basis, and in a format approved by the Legislative Budget Board.

(2) On a quarterly basis the Health and Human Services Commission shall provide data on cost reductions that have occurred as a result of reductions in the State Supported Living Center system census in areas including, but not limited to, staffing and employee benefits, acute care/prescription drugs, resident support (dietary, laundry, transportation, and maintenance services), and data on the impact of the declining census on collection of Quality Assurance Fee revenue.

c. Staffing.

(1) On a quarterly basis, the Health and Human Services Commission shall provide a staffing report to the Legislative Budget Board, the Office of the Governor, and the permanent standing committees in the House of Representatives and the Senate with jurisdiction over health and human services that includes data on turnover, fill rates, use of contractors by state supported living center and position type, initiatives undertaken during the reporting period to improve staff recruitment and retention, resources expended on the initiatives, and outcomes quantifying the impact of the initiatives.

(2) Not later than August 31, 2018, the Health and Human Services Commission shall provide a report to the Legislative Budget Board, the Office of the Governor, and the permanent standing committees in the House of Representatives and the Senate with jurisdiction over health and human services that analyzes data regarding the reasons for

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jurisdiction over health and human services that analyzes data regarding the reasons for staff turnover at state supported living centers, identifies patterns in turnover, and makes recommendations for specific interventions to address identified concerns. The report shall include analysis on the fiscal and policy impact of establishing a career ladder at state supported living centers for certain positions.

d. State Supported Living Center Expenditures.

(1) Notwithstanding any other provisions in this Act, HHSC is authorized to expend additional funds above appropriations, including additional funds related to collection of ID Medicare Receipts, ID Appropriated Receipts, ID Collections for Patient Support and Maintenance, and fees collected pursuant to the provision of SSLC services to community members, in this strategy only upon prior written approval from the Legislative Budget Board and the Governor.

To request authorization to expend additional funds, the agency shall submit a written request to the Legislative Budget Board and the Governor that includes the following information:

(i) a detailed explanation of the reason for the need to spend additional funds; and

(ii) an estimate of the available funding to transfer to Strategy G.1.1, State Supported Living Centers, and the strategy(ies) in which the funds will be made available for transfer.

This request shall be considered to be approved unless the Legislative Budget Board or the Governor issue a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to spend additional funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

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staff turnover at state supported living centers, identifies patterns in turnover, and makes recommendations for specific interventions to address identified concerns. The report shall include analysis on the fiscal and policy impact of establishing a career ladder at state supported living centers for certain positions.

d. State Supported Living Center Expenditures.

(1) Notwithstanding any other provisions in this Act, HHSC is authorized to expend additional funds above appropriations, including additional funds related to collection of ID Medicare Receipts, ID Appropriated Receipts, ID Collections for Patient Support and Maintenance, and fees collected pursuant to the provision of SSLC services to community members, in this strategy only upon prior written approval from the Legislative Budget Board and the Governor.

To request authorization to expend additional funds, the agency shall submit a written request to the Legislative Budget Board and the Governor that includes the following information:

(i) a detailed explanation of the reason for the need to spend additional funds; and

(ii) an estimate of the available funding to transfer to Strategy G.1.1, State Supported Living Centers, and the strategy(ies) in which the funds will be made available for transfer.

This request shall be considered to be approved unless the Legislative Budget Board or the Governor issue a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to spend additional funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

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The Comptroller of Public Accounts shall not allow the expenditure of additional funds for this purpose if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provisions have not been met.	The Comptroller of Public Accounts shall not allow the expenditure of additional funds for this purpose if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provisions have not been met.
(2) By December 31, 2017, the Health and Human Services Commission shall provide a plan to the Legislative Budget Board and the Governor demonstrating how the agency will manage the expenditures in Strategy G.1.1, State Supported Living Centers, to remain within appropriated levels. (Former DADS Rider 28)	(2) By December 31, 2017, the Health and Human Services Commission shall provide a plan to the Legislative Budget Board and the Governor demonstrating how the agency will manage the expenditures in Strategy G.1.1, State Supported Living Centers, to remain within appropriated levels. (Former DADS Rider 28)
115. **Revolving Fund Services: Canteen Services and Sheltered Workshops.** Out of funds appropriated above, $795,000 each fiscal year in General Revenue in Strategy G.2.1, Mental Health State Hospitals, and $2,724,957 each fiscal year in General Revenue in Strategy G.1.1, State Supported Living Centers, shall be allocated for the operation of canteen and sheltered workshops. The Health and Human Services Commission (HHSC) shall provide information on related revenues, balances, contracts and profits to the Legislative Budget Board, Governor and Comptroller of Public Accounts. These revenues, expenditures and balances shall be reported and included in agency Operating Budgets, Legislative Appropriation Requests, and Annual Financial Reports. The timetable, format and content for additional monthly reports related to canteen operations and sheltered workshops shall be prescribed by the Legislative Budget Board. Subject to the limitations of Rider 89, State Supported Living Center Oversight, HHSC is appropriated revenues generated by these programs for the purposes of expanding the existing programs. (Former DADS Rider 19 and Former DSHS Rider 13)	**119.** **Revolving Fund Services: Canteen Services and Sheltered Workshops.** Out of funds appropriated above, $795,000 each fiscal year in General Revenue in Strategy G.2.1, Mental Health State Hospitals, and $2,724,957 each fiscal year in General Revenue in Strategy G.1.1, State Supported Living Centers, shall be allocated for the operation of canteen and sheltered workshops. The Health and Human Services Commission shall provide information on related revenues, balances, contracts and profits to the Legislative Budget Board, Governor and Comptroller of Public Accounts. These revenues, expenditures and balances shall be reported and included in agency Operating Budgets, Legislative Appropriation Requests, and Annual Financial Reports. The timetable, format and content for additional monthly reports related to canteen operations and sheltered workshops shall be prescribed by the Legislative Budget Board. (Former DADS Rider 19 and Former DSHS Rider 13)

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130. Transfers: Authority and Limitations.

a. **Limitations on Transfers within/between Goals.** Notwithstanding Article IX, §14.01, Appropriation Transfers; Article IX, §14.03, Limitation on Expenditures-Capital Budget; and Article II, Special Provisions §6, Limitations on Transfer Authority; and other transfer provisions of this Act, funds appropriated by this Act to the Health and Human Services Commission (HHSC) for the following goals shall be governed by the specific limitations included in this provision.

(1) **Goal A, Medicaid Client Services**. Transfers may be made between Medicaid appropriation items in Goal A (excluding Strategies A.3.1, Home and Community-based Services, A.3.2, Community Living Assistance (CLASS), A.3.3, Deaf-Blind Multiple Disabilities, A.3.4, Texas Home Living Waiver, and A.3.5, All-Inclusive Care-Elderly). Transfers may not be made from appropriation items in Goal A to appropriation items in other goals, nor to appropriation items in Goal A from appropriation items in other goals, without prior written approval from the Legislative Budget Board and the Governor. HHSC shall provide notification of all transfers pursuant to Subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to Subsection (c) of this provision.

(2) **Community Care Waivers and Other Medicaid Non-Entitlement Services (Goal A).** Transfers may not be made between appropriation items listed in this Subsection, and may not be made to or from appropriation items listed in this Subsection to or from appropriation items not listed in this Subsection, without prior written approval from the Legislative Budget Board and the Governor. Any transfer approval requests shall be submitted pursuant to Subsection (c) of this provision.

A.3.1, Home and Community-based Services;
A.3.2, Community Living Assistance (CLASS);

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134. Transfers: Authority and Limitations.

a. **Limitations on Transfers within/between Goals.** Notwithstanding Article IX, §14.01, Appropriation Transfers; Article IX, §14.03, Limitation on Expenditures—Capital Budget; and Article II, Special Provisions §6, Limitations on Transfer Authority, funds appropriated by this Act to the Health and Human Services Commission (HHSC) for the following goals shall be governed by the specific limitations included in this provision.

(1) **Goal A, Medicaid Client Services**. Transfers may be made between Medicaid appropriation items in Goal A (excluding Strategies A.3.1, Home and Community-based Services, A.3.2, Community Living Assistance (CLASS), A.3.3, Deaf-Blind Multiple Disabilities, A.3.4, Texas Home Living Waiver, and A.3.5, All-Inclusive Care-Elderly). Transfers may not be made from appropriation items in Goal A to appropriation items in other goals, nor to appropriation items in Goal A from appropriation items in other goals, without prior written approval from the Legislative Budget Board and the Governor. HHSC shall provide notification of all transfers pursuant to Subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to Subsection (c) of this provision.

(2) **Community Care Waivers and Other Medicaid Non-Entitlement Services (Goal A).** Transfers may not be made between appropriation items listed in this Subsection, and may not be made to or from appropriation items listed in this Subsection to or from appropriation items not listed in this Subsection, without prior written approval from the Legislative Budget Board and the Governor. Any transfer approval requests shall be submitted pursuant to Subsection (c) of this provision.

A.3.1, Home and Community-based Services;
A.3.2, Community Living Assistance (CLASS);
A.3.3, Deaf-Blind Multiple Disabilities;

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A.3.3, Deaf-Blind Multiple Disabilities;
A.3.4, Texas Home Living Waiver; and
A.3.5, All-Inclusive Care-Elderly.

(3) **Goal C, CHIP Client Services.** Transfers may be made between CHIP appropriation items in Goal C. Transfers may not be made from appropriation items in Goal C to appropriation items in other goals, nor to appropriations items in Goal C from appropriation items in other goals, without prior written approval from the Legislative Budget Board and the Governor. HHSC shall provide notification of all transfers pursuant to Subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to Subsection (c) of this provision.

(4) **Goal L, HHS Enterprise Oversight and Policy.** Transfers may be made between appropriation items in Goal L. Transfers may not be made from appropriation items in Goal L to appropriation items in other goals, nor to appropriation items in Goal L from appropriation items in other goals, without prior written approval from the Legislative Budget Board and the Governor. HHSC shall provide notification of all transfers pursuant to Subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to Subsection (c) of this provision.

b. **Notification Regarding Transfers that Do Not Require Approval.** Authority granted by this provision to transfer funds is contingent upon a written notification from HHSC to the Legislative Budget Board and the Governor at least 30 business days prior to the transfer, which includes the following information:

(1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;

(2) the names of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;

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A.3.4, Texas Home Living Waiver; and
A.3.5, All-Inclusive Care-Elderly.

(3) **Goal C, CHIP Client Services.** Transfers may be made between CHIP appropriation items in Goal C. Transfers may not be made from appropriation items in Goal C to appropriation items in other goals, nor to appropriations items in Goal C from appropriation items in other goals, without prior written approval from the Legislative Budget Board and the Governor. HHSC shall provide notification of all transfers pursuant to Subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to Subsection (c) of this provision.

(4) **Goal L, HHS Enterprise Oversight and Policy.** Transfers may be made between appropriation items in Goal L. Transfers may not be made from appropriation items in Goal L to appropriation items in other goals, nor to appropriation items in Goal L from appropriation items in other goals, without prior written approval from the Legislative Budget Board and the Governor. HHSC shall provide notification of all transfers pursuant to Subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to Subsection (c) of this provision.

b. **Notification Regarding Transfers that Do Not Require Approval.** Authority granted by this provision to transfer funds is contingent upon a written notification from HHSC to the Legislative Budget Board and the Governor at least 30 business days prior to the transfer, which includes the following information:

(1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;

(2) the names of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;

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(3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and

(4) the capital budget impact.

c. **Requests for Transfers that Require Approval.** To request a transfer, HHSC shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:

(1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;

(2) the names of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;

(3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and

(4) the capital budget impact.

Requests for transfers for appropriation items listed in Subsection (a)(2), Community Care Waivers and Other Medicaid Non-Entitlement Services (Goal A), shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 30 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request for transfer and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days.

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(3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and

(4) the capital budget impact.

c. **Requests for Transfers that Require Approval.** To request a transfer, HHSC shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:

(1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;

(2) the names of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;

(3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and

(4) the capital budget impact.

Requests for transfers for appropriation items listed in Subsection (a)(2), Community Care Waivers and Other Medicaid Non-Entitlement Services (Goal A), shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 30 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request for transfer and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days. A transfer request for appropriation items not listed in Subsection (a)(2), Community Care Waivers and Other Medicaid Non-Entitlement Services (Goal A), shall

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A transfer request for appropriation items not listed in Subsection (a)(2), Community Care Waivers and Other Medicaid Non-Entitlement Services (Goal A), shall be considered to be approved only upon receipt of written approval from the Legislative Budget Board and the Governor.

d. **Cash Management.** Notwithstanding the above limitations, HHSC may temporarily utilize funds appropriated in Goals A, Medicaid Client Services and C, CHIP Client Services, for cash flow purposes. All funding used in this manner shall be promptly returned to the originating strategy. This authorization is subject to limitations established by the CPA.

The CPA shall not allow the transfer of funds authorized by any of the above Subsections if the Legislative Budget Board provides notification to the CPA that the requirements of this provision have not been satisfied.

(Former DADS Rider 7)

House

be considered to be approved only upon receipt of written approval from the Legislative Budget Board and the Governor.

d. **Cash Management.** Notwithstanding the above limitations, HHSC may temporarily utilize funds appropriated in Goals A, Medicaid Client Services and C, CHIP Client Services, for cash flow purposes. All funding used in this manner shall be promptly returned to the originating strategy. This authorization is subject to limitations established by the CPA.

The CPA shall not allow the transfer of funds authorized by any of the above Subsections if the Legislative Budget Board provides notification to the CPA that the requirements of this provision have not been satisfied.

(Former DADS Rider 7)

Senate

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163. **The Center for Elimination of Disproportionality and Disparities.** Out of funds appropriated above in Strategy F.3.3, Additional Advocacy Programs, it is the intent of the Legislature that the Center for Elimination of Disproportionality and Disparities (CEDD) shall advise each health and human services agency within Texas Health and Human Services System (HHS) on the implementation of cultural competency training, technical assistance and consultation, and develop partnerships with community groups and agencies to support the delivery of culturally appropriate services to children and families. The CEDD shall only contract with entities that have been screened, reviewed, and approved by the executive commissioner of the Health and Human Services Commission. The CEDD and the HHS agencies shall evaluate, develop and recommend policies and programs for addressing disproportionality and disparities within HHS agencies to the executive commissioner. The CEDD and HHS Statewide Coalition on Addressing Disproportionality and Disparities shall support collaborative efforts in education, juvenile justice, child welfare, health, workforce, and mental health systems to ensure equitable policies and practices statewide. The CEDD and HHS agencies shall report on the status of these efforts to the Legislative Budget Board and the Governor by November 1, 2018.

176. **Medicaid Provider Enrollment Portal.** Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC) shall submit by June 1, 2018, a plan to allocate $3,157,241 in General Revenue in fiscal year 2019 from the appropriations above, consistent with the provisions of Rider 130, Transfer: Authority and Limitations, for the purpose of establishing a centralized Medicaid provider enrollment portal.

Senate	House
Contingent upon written approval of the plan by the Legislative Budget Board and the Governor, $30,095,552 in All Funds in additional capital budget authority is provided to HHSC in fiscal year 2019. HHSC must comply with the provisions of Article II, Special Provisions, §4, Federal Match Assumptions and Limitations on Use of Available General Revenue Funds, and Article IX, §13.02, Report of Additional Federal Funding, if HHSC will access additional federal funds or enhanced federal matching rates for the centralized Medicaid provider enrollment portal.	
177. **Federal Flexibility.** The Health and Human Services Commission **(**HHSC) shall evaluate and pursue all available flexibility from the federal government to waive, receive exemptions from, or delay federal requirements that impose a significant financial burden on the state. HHSC shall determine the cost savings associated with any flexibility achieved and notify the Legislative Budget Board of any changes implemented in Medicaid or the Children's Health Insurance Program.	185. **Federal Flexibility.** Included in the amounts appropriated above in Goal A, Medicaid Client Services, is a reduction of $1,000,000,000 in General Revenue Funds and $1,368,000,000 in Federal Funds for the 2018-19 biennium. The Health and Human Services Commission (HHSC) shall pursue flexibility from the federal government to reduce the cost of providing Medicaid services to achieve the assumed level of savings without changing eligibility levels; reducing benefits; adjusting amount, scope, or duration of services; or otherwise negatively impacting access to care. Prior to making any changes, HHSC shall consider stakeholder input, including complying with any statutory requirements related to rulemaking and public hearings. HHSC shall determine the cost savings, as well as any impact to populations served, associated with any flexibility achieved and notify the Legislative Budget Board of any changes implemented in the Medicaid or Children's Health Insurance Program.
178. **Managed Care Risk Margin.** Included in appropriations above in Goal A, Medicaid Client Services, is a reduction of $51,955,499 in General Revenue Funds and $72,339,953 in Federal Funds in fiscal year 2018 and $53,349,661 in General Revenue Funds and $74,281,107 in Federal Funds in fiscal year 2019, a biennial total of $105,305,160 in General Revenue Funds and $146,621,060 in Federa185l Funds as a result of reducing the risk margin in managed care premiums from 2.0 percent to 1.5 percent.	

Senate	House
Included in appropriations above in Goal C, CHIP Client Services, is a reduction of $380,423 in General Revenue Funds and $4,888,589 in Federal Funds in fiscal year 2018 and $382,226 in General Revenue Funds and $5,189,575 in Federal Funds in fiscal year 2019, a biennial total of $762,649 in General Revenue Funds and $10,078,164 in Federal Funds, as a result of reducing the risk margin in managed care premiums from 2.0 percent to 1.5 percent.	
179. Data Analysis Unit Reporting. Out of funds appropriated above, the Health and Human Services Commission shall report to the Legislative Budget Board on a quarterly basis the activities and findings of the Data Analysis Unit established pursuant to Government Code, §531.0082. Additionally, any anomalies identified related to service utilization, providers, payment methodologies, and compliance with requirements in Medicaid and the Children's Health Insurance Program shall be reported to the Office of the Inspector General for further review.	
180. Managed Care Administrative Expenditure Audit. Out of funds appropriated above, the Health and Human Services Commission (HHSC) shall conduct an audit of administrative expenditures made by managed care organizations in Medicaid and the Children's Health Insurance Program. HHSC shall use the audit process to identify opportunities for savings and report the results of the audit to the Legislative Budget Board no later than September 1, 2018.	
181. Evaluation of Managed Care Rate Setting. Out of funds appropriated above, the Health and Human Services Commission shall conduct a study of Medicaid managed care rate setting processes and methodologies in other states and report the results of the study to the Legislative Budget Board no later than September 1, 2018.	

Senate **House**

181. Medicaid Medical Transportation.

a. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission shall determine unmet transportation need based on information available from Medicaid client surveys to estimate the percentage of clients who did not use the Medical Transportation Program and experienced either a difficult or very difficult time obtaining transportation to medical appointments. The Health and Human Services Commission shall notify the Legislative Budget Board and the relevant standing committees of the Legislature within 90 days of completing survey data collection if unmet transportation needs exceed 16 percent of total Medicaid clients. The notification must include a corrective action plan outlining how the agency and/or vendor(s) will remediate unmet transportation needs.

b. To track the cost efficiency of the program, the Health and Human Services Commission shall report the average cost per trip provided through the program for each fiscal year in the biennium in a manner prescribed by the Legislative Budget Board. This report shall be provided to the Legislative Budget Board and shall be posted on the Commission's website not later than 60 days after the end of each fiscal year.

182. Evaluation of Rural Hospital Funding Initiatives. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission shall evaluate Medicaid funding initiatives for rural inpatient and outpatient hospital services, including determining the percentage of estimated allowable hospital cost reimbursed by payments for services provided to managed care clients; the percentage of wrongful denials; the average wait time for final payment; and any remedies taken to improve compliance of vendors. The commission shall submit a progress report on the evaluation to the

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	Legislative Budget Board and the Office of the Governor by August 1, 2018, and submit a report on the evaluation findings to the Legislative Budget Board and the Office of the Governor by August 1, 2019.
182. Managed Care Contract Procurement. Out of funds appropriated above and consistent with applicable statutes and other laws, the Health and Human Services Commission (HHSC) shall evaluate and strengthen its current managed care procurement process to achieve greater administrative efficiency and attain the greatest value for the state. As required by Government Code, §533.013, HHSC shall pursue a competitive bidding process for managed care contracts. Additionally, HHSC shall simultaneously procure for multiple managed care programs and enhance its methodology for scoring managed care organization responses to requests for proposal. If necessary, HHSC may extend existing managed care contracts to establish a uniform expiration date, provided it does so in a manner consistent with Government Code, §2155.144(c).	
183. Lock-In for Controlled Substances. Out of funds appropriated above and consistent with Texas Administrative Code, Title 1, Part 15, Chapter 354, Subchapter K, the Office of Inspector General shall collaborate with managed care organizations to expand appropriate use of a lock-in program related to controlled substances to maximize savings and prevent substance abuse.	**183. Medicaid Care Coordination.** To maximize the efficient coordination of health care services and improve health outcomes, out of funds appropriated in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission shall implement strategies to

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increase utilization of existing care coordination benefits among eligible Medicaid members with severe and persistent mental illness, depression, heart failure, or coronary heart disease. Care coordination benefits include, but are not limited to, targeted case management, health homes, and case management services provided by Medicaid managed care organizations. The Commission shall submit a report on the effectiveness of the strategies implemented to increase utilization of Medicaid care coordination benefits to the Governor, the Legislative Budget Board, and the appropriate standing committees of the Legislature by November 1, 2018. The report should include trend analysis of the utilization of care coordination benefits for the targeted population groups, any impacts on premiums paid to managed care organizations, as well as the impact on client health outcomes and costs incurred by MCOs associated with increased utilization of care coordination. The evaluation of health outcomes should be based on the highest quality research design that the Commission can feasibly utilize. If the evaluation of health outcomes is incomplete on November 1, 2018, a status report may be provided.

184. **Texas Civil Commitment Office Healthcare Costs.** Included in amounts appropriated above is $561,000 in fiscal year 2018 and $561,000 in fiscal year 2019, out of which the Texas Civil Commitment Office (TCCO) shall either:

(1) directly reimburse hospitals or health care facilities for medical services provided to residents of housing facilities either operated or contracted for by TCCO that would otherwise be uncompensated;

(2) reimburse the vendor operating a TCCO housing facility for medical costs paid by the vendor to hospitals or health care facilities that exceed what is specified in the contract.

TCCO shall maintain a separate record of billings for medical services that are covered by the contract and billings for medical services that are not covered by the contract. TCCO shall

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report to the Legislative Budget Board on billings for both covered and non-covered health care costs, including amounts paid to reimburse a vendor for actual costs incurred for medical services within 60 days of the end of each fiscal quarter.

184. **Funding for Healthy Texas Women Program.** Funds appropriated above in Strategy D.1.1, Women's Health Program, include $10,000,000 in General Revenue Funds and $90,000,000 in Federal Funds in fiscal year 2018 and $10,000,000 in General Revenue Funds and $90,000,000 in Federal Funds in fiscal year 2019 for the Healthy Texas Women program. These amounts assume the Health and Human Services Commission (HHSC) will seek approval to receive federal matching funds for the program and those funds will be available beginning in fiscal year 2018. In the event federal matching funds do not become available or are available in a lesser amount in fiscal year 2018 or fiscal year 2019 or both, HHSC shall seek direction from the Legislative Budget Board prior to making any reductions to program funding or service levels.

185. **Graduate Medical Education.** Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC) shall coordinate with the Higher Education Coordinating Board to determine the best method for enhancing current state funding for Graduate Medical Education (GME) through the Medicaid program. HHSC shall provide a report with recommendations and options for increasing federal funding for GME to the Governor, the Legislative Budget Board, and the permanent standing committees in the House of Representatives and the Senate with jurisdiction over health and human services no later than December 1, 2018.

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186. **Lifespan Respite Care Program.** Included in the amounts appropriated above in Strategy F.1.2, Non-Medicaid Services, is $500,000 in General Revenue in each fiscal year of the 2018-19 biennium for the Texas Lifespan Respite Program. The Health and Human Services Commission shall ensure continuity of service for the Texas Lifespan Respite Program from the 2016-17 biennium.

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186. **Program of All-inclusive Care for the Elderly (PACE).**

a. **Expansion of PACE Sites.** The Health and Human Services Commission (HHSC) may use funds appropriated in Strategy A.3.5, Program of All-inclusive Care for the Elderly (PACE) to add up to three additional PACE sites, each serving up to 150 participants beginning in fiscal year 2018.

b. **Funding for Additional Sites and Participants.** Notwithstanding HHSC, Rider 134, Transfers: Authority and Limitations and Special Provisions Relating to All Health and Human Services Agencies, Section 6, Limitations on Transfer Authority, if funds appropriated in Strategy A.3.5, Program of All-inclusive Care for the Elderly (PACE) are not sufficient to pay for services described in subsection (a), the Health and Human Services Commission (HHSC) shall transfer funds from Goal A, Medicaid, Strategy A.1.1, Aged and Medicare-related, or Strategy A.1.2, Disability-Related, in an amount not to exceed $1,784,785 in General Revenue Funds in fiscal year 2018 and $4,980,432 in General Revenue Funds in fiscal year 2019. The Executive Commissioner of HHSC must certify that funds appropriated in Strategy A.3.5, Program of All-inclusive Care for the Elderly (PACE) were insufficient due to an increase in the number of participants served, not due to an increase in the average cost or rate. The Executive Commissioner of HHSC shall provide written notification to the Legislative Budget Board and the Governor of the certification and the transfer amounts within 30 business days of the date on which any transfer occurs.

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c. **Additional Funding for PACE Program.** Should transfer authority provided in subsection (b) be insufficient to serve the increase in participants described by subsection (a), the Executive Commissioner of HHSC shall submit a written request to the Legislative Budget Board and the Governor for approval to transfer additional funds from Strategy A.1.1, Aged and Medicare-related, or Strategy A.1.2, Disability-Related to Strategy A.3.5, Program of All-inclusive Care for the Elderly (PACE). The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 30 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days.

d. **Average Cost for New PACE Recipients.** Proposed rates related to new sites are subject to the requirements in Special Provisions Relating to All Health and Human Services Agencies, Section 17, Rate Limitations and Reporting Requirements. The fiscal impact of proposed rates shall be calculated relative to the average cost per recipient for existing PACE sites.

187. **Contingency for HB 10.** Contingent on enactment of House Bill 10, or similar legislation relating to access to and benefits for mental health conditions and substance use disorders, by the Eighty-fifth Legislature, Regular Session, the Health and Human Services Commission shall utilize funds appropriated above to Strategy D.2.3, Community Mental Health Crisis Services to allocate no more than two Full-time Equivalent positions within the Office of the Ombudsman to implement the provisions of the legislation.

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187.	**Maternal and Neonatal Health.** Out of funds appropriated above, the Health and Human Services Commission (HHSC) shall identify opportunities for decreasing neonatal intensive care unit costs in Medicaid and the Children's Health Insurance Program through better care coordination and utilization of services provided by Healthy Texas Babies programs. HHSC shall ensure Medicaid reimbursement and program rules related to reimbursement for neonatal and maternal services are consistent with Health and Safety Code, §241.186 and any other requirements in Health and Safety Code, Chapter 241, Subchapter H related to hospital level of care designations for neonatal and maternal care. Additionally, HHSC shall identify strategies to increase prevention of neonatal abstinence syndrome and reduce maternal mortality, focusing on the top causes of maternal death as identified by the Maternal Mortality and Morbidity Task Force. HHSC shall provide a report with a summary of efforts to the Governor, the Legislative Budget Board, and the permanent standing committees in the House of Representatives and the Senate with jurisdiction over health and human services no later than December 1, 2018.	
188.	**Coordination of Medicaid Dental and Medicaid Services.** Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC) shall review policies and procedures related to coordination of services between dental maintenance organizations (DMOs) and managed care organizations (MCOs) to ensure services are being delivered in the most appropriate and cost-effective setting; identify which services must be reimbursed by the DMO and the MCO when children require sedation in a dentist's office, ambulatory surgical center, or hospital; define the role of the DMO and MCO in approval of prior authorizations; and establish procedures for resolving any disputes in authorizations between DMOs and MCOs. To the extent allowed by state and federal law, HHSC may implement any recommendations developed as a result of the required review and provide a report with a summary of efforts to the Legislative Budget Board no later than December 1, 2018.	

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188. **Contingency for HB 12.** Contingent on enactment of House Bill 12, or similar legislation relating to individuals who are or may be persons with a mental illness or an intellectual disability and who are or have been involved with the court system and to the eligibility for medical assistance of certain mentally ill inmates, by the Eighty-fifth Legislature, Regular Session, and included in amounts appropriated above in Strategy D.2.3, Community Mental Health Crisis Services, is $25,000,000 in General Revenue in each fiscal year of the 2018-19 biennium to implement the provisions of the legislation.

189. **Contingency for HB 13.** Contingent on enactment of House Bill 13, or similar legislation relating to the creation of a matching grant program to support community mental health programs for individuals experiencing mental illness, by the Eighty-fifth Legislature, Regular Session, and included in amounts appropriated above in Strategy D.2.3, Community Mental Health Crisis Services, is $25,000,000 in General Revenue in each fiscal year of the 2018-19 biennium to implement the provisions of the legislation.

189. **Coordination of Services.** Out of funds appropriated above, the Health and Human Services Commission (HHSC) shall determine the extent to which children who receive therapy services that are billable to Medicaid by school districts receive the same type of therapy service(s) from other Medicaid providers. The study shall cover fiscal years 2014 through 2016. HHSC shall report its findings to the Legislative Budget Board not later than December 1, 2018. The report shall include:

a. A description of the methodology used to identify the universe of children who receive therapy services from both school districts and other Medicaid providers;

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b. Data on the number of children identified, types of therapy services received, and cost of therapy services by fiscal year and provider type; c. An analysis of the requirements to coordinate such care in federal and state statutes, rules, and regulations as well as in Managed Care Organization contracts and HHSC's Memorandum of Understanding with the Texas Education Agency; and d. Recommendations to improve coordination of services for children who receive therapy services from both school districts and other Medicaid providers.	
190. Office of Inspector General: Managed Care Organization Performance, Reporting Requirement. Out of funds appropriated above in Strategy K.1.1, Client and Provider Accountability, the Office of Inspector General shall collaborate with Medicaid and Children's Health Insurance Program (CHIP) Managed Care Organizations (MCOs) to conduct a review of cost avoidance and waste prevention activities employed by MCOs throughout the state. The review shall include the strategies MCOs are implementing to prevent waste, including, but not limited to recovering overpayments, reducing Potentially Preventable Events (PPE), and conducting internal monitoring and audits. The review shall also consider the effectiveness of strategies employed by MCOs to prevent waste and the adequacy of current functions. The Office of Inspector General shall submit a report to the Legislative Budget Board and the Governor by March 1, 2018, detailing its findings and recommendations for performance measures related to cost avoidance and waste prevention activities employed by MCOs. The recommended performance measures should be applicable to all MCOs throughout the state.	**190. Contingency for HB 1486.** Contingent on enactment of House Bill 1486, or similar legislation relating to the provision of peer specialists, peer services, and the provision of those

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	services under the medical assistance program, by the Eighty-fifth Legislature, Regular Session, and included in amounts appropriated above in Strategy D.2.3, Community Mental Health Crisis Services, is $2,500,000 in General Revenue in each fiscal year of the 2018-19 biennium to implement the provisions of the legislation. HHSC shall utilize these funds to develop a strategy to define the certification standard for certified peer specialists and enhance the peer specialist training infrastructure statewide. HHSC shall collaborate with stakeholders in developing regional trainings as well as a train-the-trainer strategy that would build capacity across all regions of the state.
	191. Increase Consumer Directed Services. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts & Administration, the Health and Human Services Commission shall educate STAR+PLUS home and community-based services consumers about the Consumer Directed Services (CDS) option, and seek to increase the percentage of clients who choose CDS. HHSC shall collect information annually from each Managed Care Organization (MCO) on the percent of clients enrolled in CDS and shall establish incremental benchmarks for improvement. HHSC shall include this information on the agency website and provide it to the STAR Plus Quality Work Group.
191. Office of Inspector General: Special Investigation Unit Guidance, Reporting Requirement. Out of funds appropriated above in Strategy K.1.1, Client and Provider Accountability, the Office of Inspector General shall develop recommendations for the composition and activities of Special Investigation Units (SIUs) required pursuant to Government Code, §531.113. The recommendations shall be developed in collaboration with the Health and Human Services Commission and Medicaid and CHIP Managed Care Organizations (MCOs) to ensure effective SIU functions.	

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The Office of Inspector General shall submit a report to the Legislative Budget Board and the Governor by March 31, 2018, detailing effective SIU functions and the recommendations for the composition and activities of SIUs. The Office of Inspector General shall post the report on the agency's webpage to ensure the recommendations are available to SIUs throughout the state.

192. **Prescription Drug Savings.** Included in appropriations above in Strategy A.1.6, Medicaid Prescription Drugs, is a reduction of $35,500,000 in General Revenue Funds and $85,300,000 in Federal Funds in fiscal year 2019 related to assumed changes in the provision of pharmacy benefits pursuant to Government Code §533.005(a)(26)(a-1). Contingent on enactment of Senate Bill 1922 by the Eighty-fifth Legislature, Regular Session, the Health and Human Services Commission shall ensure that managed care organizations contracted with the state maintain patient protections related to step therapy protocol, continuity of care, and prior authorization.

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218. **Cost Savings in Prescription Drug Benefit Administration in Medicaid, CHIP, and Other Health-Related Services.** It is the intent of the legislature that, out of funds appropriated above in Strategy L.1.1, HHS System Supports, the Health and Human Services Commission study potential cost savings in the administration of prescription drug benefits and, pursuant to Government Code Sec. 533.0025 (b) and (d), achieve targeted cost savings of $150,000,000 per year. In studying potential cost savings, the Health and Human Services Commission may consider savings achieved from, but not limited to: a single statewide claims processor model to deliver prescription drug benefits in the Medicaid, CHIP, Women's Health, Children with Special Health Care Needs Services, and Kidney Health Care programs; reduction of the Affordable Care Act Health Insurance Providers Fee, guaranteed risk margin, and administrative services fees from decreasing capitation related to pharmacy benefits; and transitioning to a prescription pricing methodology based on National Average Drug Acquisition Cost with a professional dispensing fee comensurate with the most recent study commissioned by the Health and Human Services Commission.

192. **Genetic Testing to Determine Treatment Plan for Psychotropic Medications.** Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC) shall evaluate the benefits of genetic testing to improve the efficacy of psychotropic medications. No later than December 1, 2018, HHSC shall report on the results of the evaluation, anticipated reductions in healthcare costs for the psychiatric

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193. Contingency for SB 1208. Contingent on enactment of Senate Bill 1208, or similar legislation relating to licensing of certain facilities, homes, and agencies that provide child-care services by the Eighty-fifth Legislature, Regular Session, the Health and Human Services Commission is appropriated $_____ to implement the provisions of the legislation in each fiscal year of the 2018-19 biennium in Strategy H.1.3, Child Care Regulation.

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population, and any recommendations related to including genetic testing for psychiatric patients as a benefit in programs administered by HHSC to the Legislative Budget Board, Office of the Governor, the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, Lieutenant Governor, and the permanent standing committees in the House of Representatives and the Senate with jurisdiction over health and human services.

193. Review of Certain Medicaid Dental Services. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC) shall conduct a review of the dental services provided to adults with disabilities through Medicaid. The review may focus on the following areas:

a. Preventive, emergency, periodontal, restorative, and prosthodontic dental care services available;

b. Limits or caps on services, or the cost of services;

c. The dental needs of adults with particular disabilities;

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d. Availability of dentists participating in Medicaid who provide dental services to adults with disabilities; and

e. Utilization of emergency rooms for dental services and any effect on the cost of care.

HHSC shall submit a report to the Legislative Budget Board, Governor, Lieutenant Governor, Speaker of the House, and members of the Senate Committee of Finance, House Committee on Appropriations, Senate Committee on Health and Human Services, House Committee on Human Services, and House Committee on Public Health no later than December 1, 2018. The report shall detail the agency's findings related to the above items and provide recommendations for improving access to dental care.

194. **Reporting of Postpartum Depression Data.** Out of funds appropriated above in Strategies B.1.1, Medicaid Contracts and Administration, B.1.2, CHIP Contracts and Administration, and L.1.1, Health and Human Services System Supports, the Health and Human Services Commission (HHSC) shall collect and submit a report on all HHSC program data relating to postpartum depression, including claims data for all postpartum depression screenings, codes, and any other reported clinical data relevant to postpartum depression in public health programs. No later than December 1, 2018, HHSC shall submit a report containing this data to the Legislative Budget Board, the Texas Maternal Mortality and Morbidity Task Force within the Department of State Health Services or its successor agency, and each House and Senate committee with legislative authority over the operation or financing of public health programs.

195. **Cost Neutral ICF to HCS Conversions.** Contingent upon a determination of cost-neutrality on an annualized basis of each conversion, and upon approval pursuant to HHSC Rider 130, Transfers: Authority and Limitations, out of funds appropriated above in Strategy A.2.7,

210. **Evaluation of Intermediate Care Facility Conversion.** Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts & Administration, the Health and Human Services Commission shall evaluate and report to the Legislative Budget Board on the cost effectiveness

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Intermediate Care Facilities-IID, the Health and Human Services Commission may permit small Intermediate Care Facilities with four or fewer individuals living in the home, who are voluntarily relinquishing their ICF bed, to convert to Home and Community-based Services waiver placements. The number of waiver placements thus approved shall be considered an increase in the total number of HCS placements, and affected ICF-IID beds shall be decertified.	of permitting small Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF-IID) with four or fewer individuals living in the home, who are voluntarily relinquishing their ICF-IID bed, to convert to Home and Community-based Services waiver placements. The report shall be submitted by March 1, 2018.
	195. **Family Planning Outreach.** Out of funds appropriated above in Strategy D.1.1, Women's Health Program, the Health and Human Services Commission shall evaluate the potential benefits of providing targeted outreach regarding eligibility for Family Planning program services to women who have recently had a birth reimbursed by emergency Medicaid or the CHIP Perinatal Program. If determined feasible and cost-effective, HHSC may provide the targeted outreach.
	196. **Substance Abuse Funding for Guardians of Children At Risk of Entering Child Protective Services.** Out of funds appropriated above in Strategy D.2.4, Substance Abuse Prevention, Intervention, and Treatment, the Health and Human Services Commission shall, to the extent authorized by state and federal law, seek federal funds for the provision of substance abuse services to individuals who suffer from substance abuse disorders and are the guardian of a child 18 or younger that is at risk of entering the Child Protective Services System, including federal funding pursuant to the 21st Century Cures Act.
196. **Contingency for Senate Bill 1787.** Included in appropriations above in all Strategies in Goal A, Medicaid Client Services, is a reduction of $8,400,000 in General Revenue Funds and $11,100,000 in Federal Funds in fiscal year 2018 and $8,400,000 in General Revenue Funds	

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and $11,100,000 in Federal Funds in fiscal year 2019 contingent upon enactment of Senate Bill 1787, or similar legislation related to the functions and administration of the Health and Human Services Commission and the commission's office of inspector general in relation to fraud, waste, and abuse and other investigations in health and human services, by the Eighty-fifth Legislature, Regular Session.

197. **Purchased Psychiatric Hospital Beds.** Included in amounts appropriated above in Strategy G.2.2, Mental Health Community Hospitals, is $3,154,123 in General Revenue in each fiscal year of the 2018-19 biennium to increase the daily rates paid for purchased community and private psychiatric beds. This provision may not be construed as directing the Health and Human Services Commission to set a minimum daily rate for all purchased psychiatric beds.

198. **Contingency for Senate Bill 292.** Contingent on enactment of Senate Bill 292, or similar legislation relating to the creation of a grant program to reduce recidivism, arrest, and incarceration of individuals with mental illness, by the Eighty-fifth Legislature, Regular Session, the Health and Human Services Commission is appropriated $_____ in General Revenue in each fiscal year of the 2018-19 Biennium in Strategy D.2.3, Community Mental Health Crisis Services, to implement the provisions of the legislation.

198. **Clear Process for Including Prescription Drugs on the Texas Drug Code Index.** The Texas Health and Human Services Commission (HHSC) shall make clear their process for the inclusion of prescription drugs in the Medicaid and Children's Health Insurance Programs. In implementing the prescription drug inclusion process, HHSC shall ensure that the timeline for review, including initiation of drug review, clinical evaluation, rate setting, Legislative Budget

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	Board (LBB) notification, public posting of medical policies and making the product available, does not extend past the 60th day of receipt of an application for coverage on the Texas Drug Code Index (TDCI). Prior to December 1, 2017, HHSC shall report to the LBB and the Governor the steps taken to streamline their process
	199. Office of Inspector General Accountability Rider. Funding appropriated above includes $1,566,239 in fiscal year 2018 and $1,566,240 in fiscal year 2019 in General Revenue Funds in Strategy K.1.1, Client and Provider Accountability. The Office of Inspector General shall use these funds to identify and recover at least $3,132,479. The Office of Inspector General shall submit, on a quarterly basis, the following information related to these funds to the Legislative Budget Board and the Governor: a. Accountability of how these funds are expended to combat fraud, waste, and abuse throughout the health and human services system. b. A report of all funds identified and recovered by the Office of Inspector General through investigations, audits, utilization reviews, and inspections which offset funds which would otherwise be expended by the state.
199. Medicaid Services Capacity for High-Needs Children in the Foster Care System. Included in amounts appropriated above in Strategy D.2.2, Community Mental Hlth Svcs-Children, is $2,500,000 in fiscal year 2018 for the Health and Human Services Commission (HHSC), in collaboration with the Department of Family and Protective Services (DFPS), to establish a statewide grant program to increase access to targeted case management and rehabilitative services for high-needs children in the foster care system. HHSC and DFPS may establish the initiative no later than November 1, 2017.	

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This one-time grant program may provide funds to Local Mental Health Authorities (LMHAs) and other nonprofit entities that are making investments to: 1) become targeted case management and rehabilitative services providers for children in foster care in the Intense Service Level or 2) expand their existing capacity to provide targeted case management and rehabilitative services to children in foster care in the Intense Service Level. In order to receive grant funds, the entity must provide local matching funds in an amount defined by HHSC, based on the entity's geographical location. Funds may only be used to pay for costs directly related to developing, implementing, and training teams to provide targeted case management and rehabilitative services to children in foster care in the Intense Service Level.

HHSC shall provide monthly updates regarding the number of entities who have been credentialed or have expanded services, and the number of children in the foster care system receiving Intense Service Level services from newly credentialed or expanded entities. These updates should be provided ten calendar days after the end of the month in a format prescribed by the Legislative Budget Board.

HHSC shall gather and report information on any investment of funds made by STAR Health to an entity to assist in expediting services to high-need children in the foster care system.

HHSC shall enter into an agreement with a qualified nonprofit entity to serve as administrator of the initiative, at no cost to the state. The administrator shall assist, support, and advise HHSC in fulfilling HHSC's responsibilities as well as assist entities in securing local matching funds.

200. **Contingency for Senate Bill 267.** Contingent on the enactment of Senate Bill 267, or similar legislation relating to the licensing and regulation of hospitals in this state, by the Eighty-fifth Legislature, Regular Session, in addition to funds appropriated above, the Health and Human Services Commission is appropriated $5,000,000 in fiscal year 2018 and $0 in fiscal year 2019

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from the Hospital Perpetual Care Account, as established by the legislation for the purposes identified in the legislation.	
	200. Postpartum Depression Services. Out of funds appropriated above in L.1.1, Health and Human Services System Supports, the Health and Human Services Commission shall, to the extent authorized by state and federal law, seek federal funds for the screening and treatment of postpartum depression pursuant to the 21st Century Cures Act.
201. Mental Health Program for Veterans. Out of funds appropriated above in Strategy D.2.1, Community Mental Health Services for Adults, the Health and Human Services Commission (HHSC) shall allocate $5,000,000 in General Revenue in each fiscal year of the 2018-19 biennium for the purpose of expanding access to licensed mental health professionals for volunteer coordinators and peers in the mental health program for veterans established pursuant to Health and Safety Code §1001.201-204. No later than December 1 of each fiscal year, HHSC shall submit to the Legislature and the Governor's Office a detailed report describing the activities of the program in the preceding year which shall, at minimum, include a description of how the program is operated; the number of veterans served; the number of peers and volunteer coordinators trained; a summary of the contracts issued and services provided through those contracts; and recommendations for program improvements.	
	201. Contingency for House Bill 1622. Contingent upon the passage of HB 1622 or similar legislation relating to the personal needs allowance for certain Medicaid recipients who are

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residents of long-term care facilities, the Health and Human Services Commission may expend $7,500,000 in fiscal year 2018 and $7,500,000 in fiscal year 2019 out of General Revenue Funds for the purpose of implementing the Act.

202. **Managed Care Organization Services for Individuals with Serious Mental Illness.** Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC) shall improve efforts to better serve individuals with serious mental illness, as defined by Section 1355.001, Texas Insurance Code. In furtherance of these efforts, HHSC shall develop performance metrics to better hold manage care companies accountable for care of enrollees with serious mental illness and may develop and procure a separate managed care program in at least one service area of the state aimed at serving individuals with serious mental illness.

Performance metrics shall include those pursuant to Government Code §536.003, as well as industry standard performance measures for integrated care, jail and emergency department diversion, post-release linkage to care, homelessness reduction, supportive housing, and medication adherence. HHSC's efforts should demonstrate improved outcomes, integration of care and enhanced cost control against an established baseline measurement for the target population of individuals with serious mental illness.

HHSC shall submit a report to the Legislative Budget Board and the Governor no later than November 1, 2018, detailing the agency's performance metrics relating to providing services to individuals with serious mental illness as described above.

219. **Managed Care Organization Services for Individuals with Serious Mental Illness.**

a. Out of funds appropriated above in Goal A, Medicaid Client Services, the Health and Human Services Commission shall improve efforts to better serve individuals with serious mental illness, as defined by Section 1355.001, Texas Insurance Code. Per the express authority granted in Government Code, Chapter 533.0025 (b), the Commission shall develop performance metrics to better hold managed care companies accountable for care of enrollees with serious mental illness and, if cost effective, may develop and procure a separate managed care program for an alternative model of managed care in at least one service area of the state to serve individuals with serious mental illness in the STAR and STAR+PLUS Medicaid managed care programs. Performance metrics shall include those pursuant to Government Code, Chapter 536.003, as well as industry standard performance measures for integrated care, jail and emergency department diversion, post-release linkage to care, homelessness reduction, supportive housing, and medication adherence. The Commission's efforts should demonstrate improved outcomes, integration of care and enhanced cost control against an established baseline measurement for the target population of individuals with serious mental illness. The Commission shall submit a report to the Legislative Budget Board and Governor no later than November 1, 2018, detailing the Commission's performance metrics relating to providing services to individuals with serious mental illness as described above.

b. Before the Health and Human Services Commission may spend any funds appropriated to the Commission for Goal A, Medicaid Client Servcies, to develop performance metrics or develop and procure a separate managed care program as specified by Subsection (a) of this rider, the Legislative Budget Board must approve the expenditure. A request for

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	approval made by the Commission under this rider is considered approved unless the Legislative Budget Board issues written disapproval not later than the 30th business day after the date the Legislative Budget Board staff concludes its review of the request and forwards the request to the chair of the House Appropriations Committee, the chair of the Senate Committee on Finance, the Speaker of the House of Representatives, and the Lieutenant Governor. A request for additional information made by the Legislative Budget Board tolls the counting of the 30-day period specified by this subsection.
	202. Community Integration Performance Indicators. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts & Administration, the Health and Human Services Commission (HHSC) shall develop measurements of community integration outcomes, which may include measures of opportunity (objective and subjective), community participation, community presence, well-being, and recovery, for the STAR+PLUS and STARKids programs. HHSC shall work with clients, providers, and other relevant stakeholders to develop these measures and establish methods of data collection. Upon stakeholder agreement, HHSC may begin data collection for measures reporting, and shall publish final data on these measures on the HHSC website on an annual basis.
203. State Hospital Workforce. Out of funds appropriated above in Strategy G.2.1, Mental Health State Hospitals, the Health and Human Services Commission shall evaluate compensation levels, turnover and vacancy rates, and recruiting efforts at the ten state hospitals and develop recommendations to reduce turnover and vacancy rates. No later than August 31, 2018 HHSC shall submit to the Legislative Budget Board and the Governor's Office a report on the recommendations to address these workforce issues.	

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204. **Rural Texas Jail Diversion Pilot Programs.** Out of funds appropriated above in Strategy D.2.3, Community Mental Health Crisis Services, the Health and Human Services Commission may allocate $_____ in General Revenue in each fiscal year of the 2018-19 biennium to establish rural mental health jail diversion programs in counties that are not among the ten most populous counties in the state. The pilot programs may be implemented at area Local Mental Health Authorities (LMHAs), contingent upon the LMHA providing an equal amount of local matching funds. The purpose of these programs shall be to reduce recidivism and the frequency of arrest and incarceration among persons with mental illness in that area.

House

203. **Prioritization of Behavioral Health Treatment for Pregnant Women.** Out of funds appropriated above in Strategy D.2.1, Community Mental Health Services for Adults, D.2.2, Community Mental Health Services for Children, D.2.3, Community Mental Health Crisis Services, D.2.4, Substance Abuse Prevention and Treatment, D.2.5, Behavioral Health Waivers, and Strategy G.2.2, Mental Health Community Hospitals, the Health and Human Services Commission shall seek to educate and inform the public and behavioral health service providers that pregnant women and women with dependent children are a priority population for services funded through the Substance Abuse Prevention and Treatment Block Grant and the Mental Health Block Grant.

204. **Ensure Network Adequacy.** Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts & Administration, the Health and Human Services Commission (HHSC) shall seek to ensure that contracted managed care organizations maintain an adequate network of providers, especially with respect to community attendants.

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205. **Rusk State Hospital.** Out of funds appropriated above in Strategy G.2.1, Mental Health State Hospitals, the Health and Human Services Commission may contract with The University of Texas Health Science Center at Tyler to provide physician and professional services at Rusk State Hospital.

House

197. **State Hospital Contracting for Physician and Professional Services.** Out of funds appropriated above in Strategy G.2.1, Mental Health State Hospitals, the Health and Human Services Commission may contract with state universities to provide physician and professional services at the state hospitals, where feasible and cost-effective.

205. **Access to Long-Acting Reversible Contraception Strategic Plan.** Out of funds appropriated above in Strategy L.1.1, HHS System Support, the Health and Human Services Commission (HHSC) shall develop a five-year strategic plan to reduce barriers for Medicaid recipients and those with and without health benefit plan coverage to access long-acting reversible contraception (LARC). The strategic plan shall include the following:

a. A review of presumptive LARC eligibility identifying the potential costs, challenges, and benefits of presumptive eligibility and identify methods for covering, defraying, or minimizing those costs;

b. The identification of barriers to accessing LARC relating to reimbursement and billing procedures;

c. Methods for developing and expanding partnerships with public and private entities to increase public and provider education, training, and awareness of LARC; and

d. Make recommendations to the legislature regarding policy changes and funding needed to implement the strategic plan.

HHSC shall collaborate with the Texas Collaborative for Healthy Mothers and Babies to develop the five-year strategic plan. HHSC shall submit the five-year strategic plan to the

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	Legislative Budget Board and Governor by November 1, 2018 and post the five-year strategic plan to the agency's webpage.
	206. Auto-Enrollment in the Healthy Texas Women Program. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, and in B.1.2, CHIP Contracts and Administration, the Health and Human Services Commission (HHSC) shall prepare and submit a report on the cost-effectiveness and projected savings of automatically enrolling female clients enrolled in CHIP and Children's Medicaid Program into the Healthy Texas Women Program on the client's nineteenth birthday. The report shall be submitted to the Legislative Budget Board no later than July 1, 2018. If feasible and cost effective, HHSC may consider automatic enrollment of eligible women from CHIP and the Children's Medicaid Program into the Healthy Texas Women Program if not eligible for other programs providing women's health services.
206. Austin State Hospital. No provision of this Act shall be construed to limit the ability for the Health and Human Services Commission to enter into a lease or other agreement with other state, local, or private entities for the use of land or facilities owned or operated as the Austin State Hospital, consistent with all other laws and limitations.	
207. Update Medical Education Add-on for Urban Teaching Hospitals. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts & Administration, the Health and Human Services Commission (HHSC) shall calculate the medical education add-on for hospital rates each fiscal	

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year, beginning on September l, 2017, using the most recent indirect medical education (IME) adjustment factor finalized by the Centers for Medicare and Medicaid Services (CMS).

208. **Funding for the Blind Children's Vocational Discovery and Development Program.** In cluded in the amounts appropriated above in Strategy D.1.5, Children's Blindness Services, is $600,000 in General Revenue in each fiscal year of the 2018-19 biennium for the purpose of providing Blind Children's Vocational Discovery and Development Program services for children 10 to 13 years of age

House

207. **Funding for Mental Health Programs.** Included in amounts appropriated above in Strategy D.2.1, Community Mental Health Services for Adults, is $871,348 in General Revenue in each fiscal year of the 2018-19 biennium to continue funding for recovery-focused clubhouses at fiscal year 2017 s ervice levels. Also included in amounts appropriated above in Strategy D.2.2, Community Mental Health Services for Children, is $2,450,744 in General Revenue in each fiscal year of the 2018-19 biennium to continue funding for relinquishment prevention slots at fiscal year 2017 service levels.

208. **Medicaid Therapy Services Reporting.** Out of funds appropriated above in Strategy L.1.1, HHS System Support, the Health and Human Services Commission (HHSC) shall submit, on a quarterly basis, the following information related to acute care therapy services (including physical, occupational, and speech therapies):

a. Provider and member complaints by disposition received by the Office of the Ombudsman and HHSC Health Plan Management;

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b. Provider and member complaints by disposition reported by Medicaid Managed Care Organizations;

c. The number of self-reported provider terminations due to provider reimbursements for acute care therapy services; and

d. The utilization of acute care therapy services.

HHSC shall submit the quarterly reports to the Legislative Budget Board and the Governor in a format specified by the Legislative Budget Board beginning December 1, 2018.

209. **State Hospital Planning.** Contingent on the appropriation of funds to the Health and Human Services Commission (HHSC) for the purpose of repair and replacement of state hospitals per Article IX, Section 17.10, Improving State Hospital Facilities, and Other State Facility Needs, HHSC may partner with public or private entities, including Health Related Institutions in the catchment area of each state hospital, to develop a master plan for the design of neuropsychiatric healthcare delivery systems in the area served by each facility. Where feasible, the development of the master plan shall be led by the public or private entity with which HHSC has partnered. The master plan may also address the provision of a continuum of inpatient and outpatient brain health services on the site of the state hospital. Local partners may provide matching funds in various amounts and in-kind services to support the development of the master plan.

Planning activities may include an evaluation of patient needs, a program map, proposals for the development of optimal care models, a proposal for the design of leading-edge facilities, including engineering and architectural work required to initiate construction, and the implementation of preliminary pilot projects to guide new care design principles.

The master plan may consider research and reports required by Department of State Health

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Services Rider 86, State Hospital System Report, in the 2016-17 General Appropriations Act and the State Hospital System Long-term Plan required by Department of State Health Services Rider 83, State Hospital System Long-Term Plan, in the 2016-17 General Appropriations Act, as well as support the strategic goals identified in the Statewide Behavioral Health Strategic Plan required by Article IX Section 10.04, Statewide Behavioral Health Strategic Plan and Coordinated Expenditures, in the 2016-17 General Appropriations Act.

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211. Adjustment of Therapy Rate Reductions. Funds appropriated above in the strategies in Goal A, Medicaid Client Services, include $1,800,000 in General Revenue Funds and $4,900,000 in Federal Funds ($6,700,000 in All Funds) for fiscal year 2018 and $2,000,000 in General Revenue Funds and $5,300,000 in Federal Funds ($7,300,000 in All Funds) for fiscal year 2019. These amounts are in addition to $21,900,000 in General Revenue Funds and $28,800,000 in Federal Funds ($50,700,000 in All Funds) for fiscal year 2018 and $23,100,000 in General Revenue Funds and $31,000,000 in Federal Funds ($54,100,000 in All Funds) for fiscal year 2019 included in appropriations to the Health and Human Services Commission. In total $118,900,000 in All Funds for the 2018-19 biennium is provided to restore approximately half of the reductions made to reimbursement rates for acute care therapy services during the 2016-17 biennium. The Health and Human Services Commission is directed to allocate the restorations among provider types and procedure codes to preserve access to care for clients served under Medicaid fee-for-service and managed care models. It is the intent of the Legislature that HHSC shall ensure any funds restored through this rider are fully reflected in reimbursement rates paid to providers of acute care therapy services in both fee-for-service and managed care models.

212. Nonemergency Medical Transportation Program Efficiencies. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC) shall work with contracted medical transportation organizations

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(MTOs) to improve administrative efficiencies and enhance program outcomes. In achieving these goals, HHSC shall consider recommendations from MTOs and other interested stakeholders. Areas of consideration may include reduction in requirements for individual transportation provider driver credentialing, standardization of reimbursement forms, and transition to a vendor administered phone system and complaint resolution process.

213. **Additional Funds for Reimbursement Rates for Medicaid Acute Care Therapy Services.** In addition to other amounts appropriated to the Health and Human Services Commission by this Act, the amount of $21,500,000 is appropriated out of the general revenue fund to the commission for the state fiscal biennium ending August 31, 2019, for the purpose of reversing the reductions made to reimbursement rates for Medicaid acute care therapy services during the 2016-17 biennium. The commission is directed to allocate the restorations in reimbursement rates among provider types and procedure codes in the manner specified by Rider 211.

214. **Assistance Program for Domestic Victims of Trafficking.** Included in amounts appropriated above in Strategy F.3.3, Additional Advocacy Programs, is $1,497,463 in General Revenue for each fiscal year of the 2018-19 biennium to establish a grant program designed to assist domestic victims of trafficking in accessing necessary services. The program shall be established pursuant to Government Code, Chapter 531, Subchapter J-1.

215. **Unallocated Funding Under the Delivery System Reform Incentive Payments (DSRIP) Program.** The Health and Human Services Commission shall allow money appropriated to the commission above in Strategy D.2.1, Community Mental Health Services for Adults, Strategy D.2.2, Community Mental Health Services for Children, that is allocated to local authorities

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that have transitioned to a new behavioral health services model from the former NorthSTAR Behavioral Health Services model, including the North Texas Behavioral Health Authority and the local mental health authority serving Collin County and other local intergovernmental transfer funds, to be used by those local authorities other intergovernmental transfer providers for the purpose of meeting federal requirements to obtain additional unallocated federal funds through the Delivery System Reform Incentive Payment (DSRIP) program under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315), to be used to provide behavioral health services in Collin, Dallas, Ellis, Hunt, Kaufman, Navarro, and Rockwall Counties.

216. **Study on Abuse in and Violations by Nursing Homes.** Out of funds appropriated above, the Health and Human Services Commission shall conduct a study in conjunction with the Legislative Budget Board on abuse occurring in and violations of any law by nursing homes licensed by this state and receiving funds from the commission. Not later than April 1, 2018, the commission shall prepare and submit a written report to the executive commissioner of the commission on the results of the study and recommendations on policies for prevention of repeat violators and other appropriate recommendations based on the study.

217. **Study Relating to Enhanced Criminal Background Check Standards for Certain Health and Human Services Commission Contractors.** It is the intent of the Legislature that, out of General Revenue funds appropriated above, the Health and Human Services Commission conduct a study in cooperation with the Legislative Budget Board on the feasibility of developing enhanced criminal background check standards for individuals who provide services to or otherwise work with children and the elderly as an employee of an entity that contracts with the commission or otherwise in connection with an entity's contract with the commission. Not later than April 1, 2018, the commission shall submit a report on the commission's findings under the study together with the recommendations to the Executive Commissioner of the Health and Human Services Commission.

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220. Electronic Visit Verification Administrative Simplification. The Health and Human Services Commission shall identify programmatic and administrative areas where it can maximize current investments in technology and automation, and other assets, in a concerted effort to identify and increase operational efficiencies, generate cost savings and cost avoidance, and create opportunities to share services within the health and human services system.

Electronic Visit Verification Administrative Simplification. The Health and Human Services Commission (HHSC) shall, not later than December 31, 2017, identify specific strategies to streamline the administrative requirements imposed on health care providers that are required to use Electronic Visit Verification (EVV). As part of their review, the Commission is required to review minimum state and federal statutory requirements relating to EVV, state program and policy requirements that require health care providers to make unnecessary visits or incur unnecessary costs, and differences in compliance requirements between fee for service and managed care.

HHSC shall submit a report on strategies identified and an implementation plan and schedule to eliminate or simplify EVV administrative requirements to the Legislative Budget Board and Office of the Governor by March 31, 2018.

The Health and Human Services Commission shall prepare a report that details operational efficiencies and cost savings achieved by the commission and evidence of any improvements in collection and maintenance of current and accurate contact information for individuals receiving health and human services benefits. Not later than December 1, 2017, the commission shall submit the report to the governor, lieutenant governor, speaker of the house of representatives, and the chair of each legislative committee with jurisdiction over health and human services issues.

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221. Enhanced Eligibility Screening Tools. It is the intent of the Legislature that, using funds appropriated above, the Health and Human Services Commission:

(1) cross match, on a quarterly basis beginning September 1, 2017, statistically significant samples of recipient enrollment records from the medical assistance, financial assistance, supplemental nutrition assistance, and children's health insurance programs against death records, employment and wage records, records of lottery winnings, residency checks, child support enforcement records, out-of-state electronic benefits transactions, the enrollment status of persons in other state administered public assistance programs, and any other data the commission considers appropriate in order to strengthen program integrity, reduce fraud, waste, and abuse, and achieve cost savings in the programs;

(2) not later than September 1, 2018, prepare and submit a written report to the governor, lieutenant governor, speaker of the house of representatives, and any legislative committees with jurisdiction over the commission containing the findings from the cross matches conducted under Subdivision (1) of this rider, including findings of incidents of fraud, waste, or abuse in the programs listed in that subdivision; and

(3) based on the findings from the samples of cross matches, conduct a cross match of all recipient enrollment records for the programs listed in Subdivision (1) of this rider not later than December 1, 2018.

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Sec. 17. Rate Limitations and Reporting Requirements. Notwithstanding other provisions of this Act, the use of appropriated funds for a rate paid by a health and human services agency in Article II of this Act shall be governed by the specific limitations included in this provision.

For purposes of this provision, "rate" is defined to include all provider reimbursements (regardless of methodology), including for oral medications, that account for significant expenditures made by a health and human services agency in Article II of this Act. "Fiscal impact" is defined as an increase in expenditures due to either a rate change or establishment of a new rate, including the impact on all affected programs. Additionally, estimates of fiscal impacts should be based on the most current caseload forecast submitted by the Health and Human Services Commission (HHSC) pursuant to other provisions in this Act and should specify General Revenue-related Funds, TANF Federal Funds, and All Funds. Fiscal estimates that impact multiple risk groups may be reported at an aggregate level and acute care services may be reported by rate category.

a. **Notification of Change to Managed Care Rates**.

(1) Within seven calendar days of the establishment of preliminary premium rates for managed care organizations (MCOs) contracting with HHSC, the Executive Commissioner of the HHSC shall submit the following information in writing to the Legislative Budget Board, the Governor, and the State Auditor:

(i) a schedule showing the previous fiscal year's rate and the proposed rate, which should include information on the rate basis for the MCO reimbursements to providers;

(ii) a schedule and description of the rate-setting process for all rates listed for subsection (1), which should include:

(a) a thorough explanation of all formulas and rounding methodologies used in the rate-setting process;

(b) reasoning and basis for all trends used in the rate-setting process;

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Sec. 17. Rate Limitations and Reporting Requirements. Notwithstanding other provisions of this Act, the use of appropriated funds for a rate paid by a health and human services agency in Article II of this Act shall be governed by the specific limitations included in this provision.

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(i) a schedule showing the previous fiscal year's rate and the proposed rate, which should include information on the rate basis for the MCO reimbursements to providers;

(ii) a schedule and description of the rate-setting process for all rates listed for subsection (1), which should include:

(a) a thorough explanation of all formulas and rounding methodologies used in the rate-setting process;

(b) reasoning and basis for all trends used in the rate-setting process;

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(c) all analyses conducted by the Data Analysis Unit (established pursuant to Government Code §531.0082) that are pertinent to the rate-setting process; and	(c) all analyses conducted by the Data Analysis Unit (established pursuant to Government Code §531.0082) that are pertinent to the rate-setting process; and
(d) all documentation submitted to the Centers for Medicare and Medicaid Services (CMS) pursuant to 42 C.F.R. §438.7.	(d) all documentation submitted to the Centers for Medicare and Medicaid Services (CMS) pursuant to 42 C.F.R. §438.7.
(iii) an estimate of the fiscal impact, by agency and by fiscal year, including the amount of General Revenue Funds, TANF Federal Funds, and All Funds for each rate change listed for subsection (1).	(iii) an estimate of the fiscal impact, by agency and by fiscal year, including the amount of General Revenue Funds, TANF Federal Funds, and All Funds for each rate change listed for subsection (1).
(2) The Executive Commissioner of HHSC shall submit all available information identified in subsection (1) if the preliminary rates are changed and shall also submit the reason for these changes. The Executive Commissioner of HHSC shall submit the final proposed rates along with the information listed in subsection (1) no later than 45 calendar days prior to implementation.	(2) The Executive Commissioner of HHSC shall submit all available information identified in subsection (1) if the preliminary rates are changed and shall also submit the reason for these changes. The Executive Commissioner of HHSC shall submit the final proposed rates along with the information listed in subsection (1) no later than 45 calendar days prior to implementation.
(3) Within seven days of the submission requirements listed above in subsections (i) through (iii), the Executive Commissioner of the HHSC shall submit a schedule identifying an estimate of the amount of General Revenue Funds, TANF Federal Funds, and All Funds by which expenditures at such rate levels would exceed appropriated funding.	(3) Within seven days of the submission requirements listed above in subsections (i) through (iii), the Executive Commissioner of the HHSC shall submit a schedule identifying an estimate of the amount of General Revenue Funds, TANF Federal Funds, and All Funds by which expenditures at such rate levels would exceed appropriated funding.
b. **Prior Notification.** HHSC shall provide notification of a new or increased rate for an orphan drug at least 30 calendar days prior to expenditures for this purpose. An orphan drug must meet criteria specified in the federal Orphan Drug Act and regulations at 21 C.F.R. §316, and be required to be covered by the Medicaid program under federal law. With the notification, HHSC shall provide the fiscal impact including the amount of General Revenue Funds, and All Funds, by fiscal year; the amount of drug rebates projected; and an estimate of the population to be served.	b. **Orphan Drug Notification.** HHSC shall provide immediate access to orphan drugs through fee-for-service and managed care and shall provide notification of a new or increased rate for an orphan drug within 30 calendar days of expenditures for this purpose. An orphan drug must meet criteria specified in the federal Orphan Drug Act and regulations at 21 C.F.R. §316, and be required to be covered by the Medicaid program under federal law. With the notification, HHSC shall provide the fiscal impact including the amount of General

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c. **Quarterly Notification**. With the exception of statutorily required pricing updates on oral medications, and on a quarterly basis, HHSC shall provide notice of changed rates for:

(1) new procedure codes required to conform to Federal Healthcare Common Procedure Coding System (HCPCS) updates;

(2) revised rates occurring as a result of a biennial calendar fee review;

(3) any rate change estimated to have an annual fiscal impact of less than $500,000 in General Revenue-related Funds or TANF Federal Funds; and

(4) Any rate change for which approval is obtained under section (d).

d. **Limitation on Rates that Exceed Appropriated Funding**. With the exception of those rates specified in section (b), Prior Notification, and in subsections (1) - (3) of section (c), Quarterly Notification, no health and human services agency in Article II of this Act, may pay a rate that would result in expenditures that exceed, in any fiscal year, the amounts appropriated by this Act to a strategy for the services to which the rate applies without the prior written approval of the Legislative Budget Board and the Governor.

To request authorization for such a rate, the Executive Commissioner of the HHSC shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:

(1) a list of each new rate and/or the existing rate and the proposed changed rate;

(2) an estimate of the fiscal impacts of the new rate and/or rate change, by agency and by fiscal year; and

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Revenue Funds, and All Funds, by fiscal year; the amount of drug rebates projected; and an estimate of the population to be served.

c. **Quarterly Notification**. With the exception of statutorily required pricing updates on oral medications, and on a quarterly basis, HHSC shall provide notice of changed rates for:

(1) new procedure codes required to conform to Federal Healthcare Common Procedure Coding System (HCPCS) updates;

(2) revised rates occurring as a result of a biennial calendar fee review;

(3) any rate change estimated to have an annual fiscal impact of less than $500,000 in General Revenue-related Funds or TANF Federal Funds; and

(4) Any rate change for which approval is obtained under section (d).

d. **Limitation on Rates that Exceed Appropriated Funding**. With the exception of those rates specified in section (b), Orphan Drug Notification, and in subsections (1) - (3) of section (c), Quarterly Notification, no health and human services agency in Article II of this Act, may pay a rate that would result in expenditures that exceed, in any fiscal year, the amounts appropriated by this Act to a strategy for the services to which the rate applies without the prior written approval of the Legislative Budget Board and the Governor.

To request authorization for such a rate, the Executive Commissioner of the HHSC shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:

(1) a list of each new rate and/or the existing rate and the proposed changed rate;

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(3) the amount of General Revenue Funds, TANF Federal Funds, and All Funds, by fiscal year, by which each rate would exceed appropriated funding for each fiscal year.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request for authorization for the rate and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 15 business days.

e. Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. Notifications, requests and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

f. The Office of the State Auditor may review the fiscal impact information provided under sections (a) through (d) along with supporting documentation, supporting records, and justification for the rate increase provided by the Health and Human Services Commission and report back to the Legislative Budget Board and the Governor before the rate is implemented by the Health and Human Services Commission or operating agency.

g. The Comptroller of Public Accounts shall not allow the expenditure of funds for a new or increased rate if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

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(2) an estimate of the fiscal impacts of the new rate and/or rate change, by agency and by fiscal year; and

(3) the amount of General Revenue Funds, TANF Federal Funds, and All Funds, by fiscal year, by which each rate would exceed appropriated funding for each fiscal year.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request for authorization for the rate and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 15 business days.

e. Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. Notifications, requests and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

f. The Office of the State Auditor may review the fiscal impact information provided under sections (a) through (d) along with supporting documentation, supporting records, and justification for the rate increase provided by the Health and Human Services Commission and report back to the Legislative Budget Board and the Governor before the rate is implemented by the Health and Human Services Commission or operating agency.

g. The Comptroller of Public Accounts shall not allow the expenditure of funds for a new or increased rate if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

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Sec. 21. Limitation: Expenditure and Transfer of Public Health Medicaid Reimbursements.

a. **Appropriations**. Included in the amounts appropriated above for the Department of State Health Services (DSHS) and the Health and Human Services Commission (HHSC) are the following amounts of Public Health Medicaid Reimbursements (Account No. 709):

(1) Department of State Health Services:

I. Strategy A.2.1, Immunize Children and Adults in Texas: $341,686 in each fiscal year;

II. Strategy A.4.1, Laboratory Services: $20,276,033 in each fiscal year ;

III. Strategy D.1.1, Agency Wide IT Projects: $46,548 in fiscal year 2018 and $46,612 in fiscal year 2019; and

IV. Strategy E.1.1, Central Administration: $366,935 in each fiscal year.

(2) Health and Human Services Commission:

I. Strategy A.4.1, Non-Full Benefit Payments: $38,326,736 in fiscal year 2018 and $38,326,736 in fiscal year 2019;

II. Strategy G.2.1, Mental Health State Hospitals: $50,243,886 in each fiscal year; and

III. Strategy G.2.2, Mental Health Community Hospitals: $10,120,700 in each fiscal year.

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Sec. 21. Limitation: Expenditure and Transfer of Public Health Medicaid Reimbursements.

a. **Appropriations**. Included in the amounts appropriated above for the Department of State Health Services (DSHS) and the Health and Human Services Commission (HHSC) are the following amounts of Public Health Medicaid Reimbursements (Account No. 709):

(1) Department of State Health Services:

I. Strategy A.2.1, Immunize Children and Adults in Texas: $341,686 in each fiscal year;

II. Strategy A.4.1, Laboratory Services: $20,276,033 in each fiscal year ;

III. Strategy D.1.1, Agency Wide IT Projects: $46,548 in fiscal year 2018 and $46,612 in fiscal year 2019; and

IV. Strategy E.1.1, Central Administration: $366,935 in each fiscal year.

(2) Health and Human Services Commission:

I. Strategy A.4.1, Non-Full Benefit Payments: $38,326,736 in fiscal year 2018 and $38,095,319 in fiscal year 2019;

II. Strategy G.2.1, Mental Health State Hospitals: $50,243,886 in each fiscal year; and

III. Strategy G.2.2, Mental Health Community Hospitals: $10,120,700 in each fiscal year.

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b. **Limitation on Use of Public Health Medicaid Reimbursements (Account 709).**

(1) In the event that Public Health Medicaid Reimbursement revenues exceed the amounts noted above, the DSHS or HHSC may expend the Public Health Medicaid Reimbursement funds thereby made available only upon prior written approval from the Legislative Budget Board and the Governor. Notwithstanding Article IX, Section 14.01, Appropriation Transfers, and Special Provisions Relating to All Health and Human Services Agencies, Section 6, Limitations on Transfer Authority, transfers of Public Health Medicaid Reimbursement revenues may be made only upon prior written approval from the Legislative Budget Board and the Governor. A request to expend additional Public Health Medicaid Reimbursement funds or transfer Public Health Medicaid Reimbursement funds shall include the following information:

I. the reason for and the amount of Public Health Medicaid Reimbursement revenue that exceeds the amounts in section (a) above, and whether this additional revenue will continue in future years;

II. the reason for and the amount of any transfer of Public Health Medicaid Reimbursement revenue;

III. a detailed explanation of the purpose(s) of the expenditure and whether the expenditure will be one-time or ongoing;

IV. the name of the strategy or strategies affected by the expenditure and the FTEs for each strategy by fiscal year;

V. the impact of the expenditure on performance levels, and, where relevant, a comparison to targets included in this Act for the affected strategy or strategies; and

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b. **Limitation on Use of Public Health Medicaid Reimbursements (Account 709).**

(1) In the event that Public Health Medicaid Reimbursement revenues exceed the amounts noted above, the DSHS or HHSC may expend the Public Health Medicaid Reimbursement funds thereby made available only upon prior written approval from the Legislative Budget Board and the Governor. Notwithstanding Article IX, Section 14.01, Appropriation Transfers, and Special Provisions Relating to All Health and Human Services Agencies, Section 6, Limitations on Transfer Authority, transfers of Public Health Medicaid Reimbursement revenues may be made only upon prior written approval from the Legislative Budget Board and the Governor. A request to expend additional Public Health Medicaid Reimbursement funds or transfer Public Health Medicaid Reimbursement funds shall include the following information:

I. the reason for and the amount of Public Health Medicaid Reimbursement revenue that exceeds the amounts in section (a) above, and whether this additional revenue will continue in future years;

II. the reason for and the amount of any transfer of Public Health Medicaid Reimbursement revenue;

III. a detailed explanation of the purpose(s) of the expenditure and whether the expenditure will be one-time or ongoing;

IV. the name of the strategy or strategies affected by the expenditure and the FTEs for each strategy by fiscal year;

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VI. the impact of the expenditure on the capital budget.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 30 business days after the date the Legislative Budget Board staff concludes its review of the proposal to expend the funds and forwards the review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days.

(2) In the event that Public Health Medicaid Reimbursement revenues and balances are insufficient to support the appropriations amounts identified in subsection (a), a reduction shall be made in the following strategies, in descending order:

I. DSHS Strategy D.1.1, Agency Wide IT Projects;

II. DSHS Strategy E.1.1, Central Administration;

III. DSHS Strategy A.4.1, Laboratory Services; and

IV. HHSC Strategy A.4.1, Non-Full Benefit Payments. (Former DSHS Rider 43)

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V. the impact of the expenditure on performance levels, and, where relevant, a comparison to targets included in this Act for the affected strategy or strategies; and

VI. the impact of the expenditure on the capital budget.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 30 business days after the date the Legislative Budget Board staff concludes its review of the proposal to expend the funds and forwards the review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days.

(2) In the event that Public Health Medicaid Reimbursement revenues and balances are insufficient to support the appropriations amounts identified in subsection (a) , a reduction shall be made in the following strategies at DSHS, in descending order:

I. Strategy D.1.1, Agency Wide IT Projects;

II. Strategy E.1.1, Central Administration; and

III. Strategy A.4.1, Laboratory Services
(Former DSHS Rider 43)

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Sec. 23. Waiver Program Cost Limits.
a. Individual Cost Limits for Waiver Programs. It is the intent of the Legislature that the Health and Human Services Commission comply with the cost-effectiveness requirements of the Centers for Medicare and Medicaid Services and set the individual cost limit for each waiver program as follows:

(1) Medically Dependent Children Program: 50 percent of the reimbursement rate that would have been paid for that same individual to receive services in a nursing facility on August 31, 2010;

(2) Community Living Assistance and Support Services Program: The fixed amount of $114,736.07 based on historical annualized per capita cost of providing services in an ICF/IID to an individual qualifying for an ICF/IID Level of Care VIII;

(3) Deaf-Blind with Multiple Disabilities Program: The fixed amount of $114,736.07 based on historical annualized per capita cost of providing services in an ICF/IID to an individual qualifying for an ICF/IID Level of Care VIII;

(4) Home and Community-based Services Program: 200 percent of the reimbursement rate that would have been paid for that same individual to receive services in an ICF/IID on August 31, 2010; and

(5) STAR+PLUS Community-Based Alternatives: 202 percent of the reimbursement rate that would have been paid for that same individual to receive services in a nursing facility.

b. Use of General Revenue Funds for Services.

(1) Out of funds appropriated for the waiver programs identified above, and subject to the terms of subsection (c) below, the commission is authorized to use General Revenue Funds to pay for services if:

(i) the cost of such services exceeds the individual cost limit specified in a medical assistance waiver program listed above;

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	(ii) federal financial participation is not available to pay for such services; and (iii) the commission determines that: (a) the person's health and safety cannot be protected by the services provided within the individual cost limit established for the program; and (b) there is no other available living arrangement in which the person's health and safety can be protected at that time, as evidenced by: (i) an assessment conducted by clinical staff of the commission; and (ii) supporting documentation, including the person's medical and service records. (2) Out of funds appropriated under this Article for the waiver programs identified above, and subject to the terms of subsection (c) below, the commission is authorized to use General Revenue Funds to continue to provide services to a person who was receiving medical assistance waiver program services on September 1, 2005, at a cost that exceeded the individual cost limit specified in the medical assistance waiver program if: (i) federal financial participation is not available to pay for such services; and (ii) continuation of those services is necessary for the person to live in the most integrated setting appropriate to the needs of the person. (3) Authority provided in (b) above is contingent upon the agency submitting a report in writing to the Legislative Budget Board and Governor on October 1 of each year of the biennium. The report shall include the number of clients by program which exceeds cost limits and the unmatched General Revenue associated with each by fiscal year.

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Sec. 24. Nurse Home Visiting Programs. In an effort to leverage federal matching funds to support nurse home visiting services, including Nurse Family Partnership services, the Department of Family and Protective Services (DFPS) and the Health and Human Services Commission (HHSC) may explore the feasibility and cost-effectiveness of including nurse home visiting services as a Medicaid benefit. HHSC may consider all potential options, including existing coverage categories and delivery system models. DFPS may transfer General Revenue Funds appropriated to the Nurse Family Partnership and Texas Home Visiting Programs in the 2018-19 biennium to HHSC, contingent on prior written approval from the Legislative Budget Board, to support the inclusion of these services in Medicaid.

Sec. 25. Review and Report: Health and Human Services System and Managed Care. Out of funds appropriated elsewhere in Article II of the Act in Strategy L.1.1, HHS System Support, in the Health and Human Services Commission (HHSC) bill pattern, HHSC shall conduct a review of health and human services in the state to evaluate opportunities to streamline case management services. The review shall be done in collaboration with the Department of Family and Protective Services (DFPS), the Department of State Health Services (DSHS), and Medicaid and Children's Health Insurance Program (CHIP) Managed Care Organizations (MCOs) and shall:

a. Evaluate whether adjustments to capitation rates are necessary for Medicaid members receiving case management services independent of care coordination provided by managed care staff, such as the provision of targeted case management services by local providers;

b. Evaluate administrative efficiencies and potential reductions in duplication from streamlining related benefits such as MCO home health services and MCO provided care coordination;

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c. Identify opportunities to clarify the division of responsibilities for case management services provided to children in STAR Health MCOs, DFPS contracted entities, and other providers of case management services; and

d. If feasible, identify opportunities for ensuring that a single entity is designated as the primary case manager for Medicaid clients.

HHSC shall submit a report to the Legislative Budget Board and the Governor by May 1, 2018, detailing its findings concerning the costs associated with duplicative effort, inefficiencies, and ineffective care in health and human services in the state.

Sec. 26. Administrative Savings in the Health and Human Services System. Out of funds appropriated elsewhere in Article II of the Act in Strategy L.1.1, HHS System Support, in the Health and Human Services Commission (HHSC) bill pattern, HHSC shall collaborate with the Department of Family and Protective Services (DFPS) and the Department of State Health Services (DSHS) to conduct a review of the administrative functions of the health and human services agencies listed in Article II of this Act. The review shall include the identification of potential General Revenue savings related to increased administrative efficiencies and the elimination of duplicative administrative functions. The review shall also consider the effectiveness of staffing levels dedicated to administrative functions.

HHSC, DFPS, and DSHS shall develop a plan to achieve the potential General Revenue savings identified above and submit a report to the Transition Legislative Oversight Committee, established pursuant Government Code, §531.0203, Legislative Budget Board and the Governor no later than September 1, 2018. The report shall include information regarding the consolidation of administrative functions pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015, and the savings identified above by strategy, fiscal year, full-time equivalents, and method of finance.

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	HHSC, DFPS, and DSHS may submit the above information in an individual report prepared in a format specified by the Legislative Budget Board or include the information in the report required pursuant to Government Code, §531.02031.
	Sec. 27. Contract Cost Containment. Pursuant to Article IX Section 17.10, Contract Cost Containment, appropriations made above to the agencies in Article II are reduced by $227,446,650 in General Revenue in 2018 and $227,446,650 in General Revenue in 2019 and $1,646,475 in General Revenue Dedicated in 2018 and $1,646,475 in General Revenue Dedicated in 2019.