Rider Comparison Packet

Conference Committee on Senate Bill 1

2022-23 General Appropriations Bill

Article II – Health and Human Services

Senate

5. **Limitation on Transfers: Foster Care, Adoption Subsidy, Permanency Care Assistance, and Relative Caregiver Payments.** Notwithstanding Article IX, Sec. 14.01, Appropriation Transfers and Article IX, Sec. 14.03, Transfers - Capital Budget in this Act, the Department of Family and Protective Services may only transfer funds into or out of Strategies B.1.9, Foster Care Payments; B.1.10, Adoption/PCA Payments; or B.1.11, Relative Caregiver Payments, with the prior written notification to the Legislative Budget Board and the Governor 30 days prior to the transfer. The Legislative Budget Board and the Governor may disapprove the transfer during the 60 day period.

6. **Other Reporting Requirements.**

   a. **Monthly Financial Reports.** DFPS 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.

      (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) A report providing a breakdown of the budgeted versus actual Child Protective Services Direct Delivery Full-time Equivalents (FTE) by case stage and by region.

      (5) Select Child Protective Services performance measures continued from the fiscal year 2017 critical needs reports, as determined by the Legislative Budget Board.

      (6) 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.

House

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      (5) Select Child Protective Services performance measures continued from the fiscal year 2017 critical needs reports, as determined by the Legislative Budget Board.

      (6) 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.

Senate

b. **Quarterly Updates.** DFPS shall submit the following information to the Legislative Budget Board and the Governor on a quarterly basis for each month in fiscal years 2019 through 2023: program expenditures and projected expenditures by method of finance and performance measure targets for Strategies A.1.1, Statewide Intake Services; B.1.1, CPS Direct Delivery Staff; B.1.3, TWC Contracted Day Care; B.1.9, Foster Care Payments; B.1.10, Adoption Subsidy/PCA Payments; B.1.11, Relative Caregiver Payments; and D.1.1, APS Direct Delivery Staff. DFPS shall also submit data used to calculate the performance measure actuals for Strategies A.1.1, Statewide Intake Services; B.1.1, CPS Direct Delivery Staff; and D.1.1, APS Direct Delivery Staff, as well as other statewide intake data related to call abandonment. The reports shall be submitted within 60 days of the end of each fiscal quarter in a format specified by the Legislative Budget Board.

c. **Litigation Involving Child Welfare Services Providers.** DFPS shall notify the Legislative Budget Board and the Governor in a timely manner about any pending litigation against DFPS or against any entity providing child welfare services under contract with DFPS, and the subject matter of the litigation.

d. **Monthly Data and Forecasts**. DFPS shall submit actual and projected caseloads and related expenditure amounts to the Legislative Budget Board and the Governor for foster care, adoption assistance, permanency care assistance, relative caregiver, community-based care, and day care. Data for other programs shall be submitted upon request of the Legislative Budget Board or the Governor. The data shall be submitted in a format specified by the Legislative Budget Board. At the request of the Legislative Budget Board or the Governor supporting documentation detailing the sources and methodologies utilized to develop any caseload or expenditure projections and any other supporting material must be provided.

House

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(2) DFPS shall provide a report to the legislature and shall publish the report and make the report available electronically to the public not later than the 15th day of each month containing the following information for the preceding month: 1) the regional statistics for children in DFPS care which includes age, sex, ethnic group, disabilities, and the level of services the children receive; statistics showing where children are living compared to their home region and the types of facilities and living arrangements where they were placed; 2) the key staffing and outcome measures for Statewide

Senate

House

Intake, Adult Protective Services, Child Protective Investigations, and Child Protective Services; and 3) the total number of reports to Statewide Intake broken down by source; the total number of reports to Statewide Intake that are considered Information and Referrals; the total number of each type of allegation and the number of confirmed cases via an investigation for reports that meet the statutory definition of abuse, neglect, or exploitation; and the total number of exits from CPS custody broken down by exit type. DFPS may work with a third-party entity to help collect, analyze, and report the following data.

7. Limitation on Expenditures for Texas Workforce Commission (TWC) Contracted Day Care.

(a) Notwithstanding Article IX, Sec. 14.01, Appropriation Transfers and Article IX, Sec. 14.03, Transfers - Capital Budget in this Act, the Department of Family and Protective Services (DFPS) may not transfer funds into or out of Strategy B.1.3, TWC Contracted Day Care, without the prior written notification to the Legislative Budget Board and the Governor 30 days prior to the transfer. The Legislative Budget Board and the Governor may disapprove the transfer during the 30 day period.

DFPS shall submit a written notification to the Legislative Budget Board and the Governor 30 days prior to the transfer. The Legislative Budget Board and the Governor may disapprove the transfer during the 30-day period. A notification to transfer funds into Strategy B.1.3, TWC Contracted Day Care, must be submitted within 30 days of the date upon which DFPS produces a forecast indicating a need for additional funds and determines they are unable to operate within available appropriations. A notification to transfer funds into Strategy B.1.3, TWC Contracted Day Care, must also be submitted at least 90 days prior to when expenditures are expected to exceed available appropriations. A notification must include the following information:

(1) 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;

(2) the sub-strategies affected by the increase in expenditures; and

7. Limitation on Expenditures for Texas Workforce Commission (TWC) Contracted Day Care.

(a) Notwithstanding Article IX, Sec. 14.01, Appropriation Transfers and Article IX, Sec. 14.03, Transfers - Capital Budget in this Act, the Department of Family and Protective Services (DFPS) 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, DFPS shall submit a written request to the Legislative Budget Board and the Governor. A request to transfer funds into Strategy B.1.3, TWC Contracted Day Care, must be submitted within 30 days of the date upon which DFPS produces a forecast indicating a need for additional funds and determines they are unable to operate within available appropriations. A request to transfer funds into Strategy B.1.3, TWC Contracted Day Care, must also be submitted at least 90 days prior to when expenditures are expected to exceed available appropriations. A request must include the following information:

(1) 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;

(2) the sub-strategies affected by the increase in expenditures; and

(3) the method of financing and impact on performance levels by fiscal year, including a comparison to performance targets included in this Act.

No expenditure in excess of appropriations made above in Strategy B.1.3, TWC Contracted

Senate

(3) the method of financing and impact on performance levels by fiscal year, including a comparison to performance targets included in this Act.

No expenditure in excess of appropriations made above in Strategy B.1.3, TWC Contracted Day Care, may be made until the notification has been made to the Legislative Budget Board and the Governor 30 days prior to the transfer. The Legislative Budget Board and the Governor may disapprove the transfer during the 30 day period.

(b) Funds appropriated above in Strategy B.1.3, TWC Contracted Day Care, may be used only to acquire child day care services through TWC.

Expenditures for administrative overhead payments to TWC and local workforce boards in connection with any agreement to provide child day care services shall not exceed 5.0 percent of all amounts paid for child day care services out of funds appropriated above in Strategy B.1.3, TWC Contracted Day Care.

10. Limitation on Transfers: CPS and APS Direct Delivery Staff.

a. **Funding.** Notwithstanding Article IX, Sec. 14.01, Appropriation Transfers, and Article IX, Sec. 14.03, Transfers - Capital Budget, in this Act, the Department of Family and Protective Services (DFPS) shall not transfer funds out of Strategy B.1.1, CPS Direct Delivery Staff, or Strategy D.1.1, APS Direct Delivery Staff, without the prior written approval of the Legislative Budget Board and the Governor. DFPS may transfer funds in with prior written notification to the Legislative Budget Board and the Governor 30 days prior to the transfer. The Legislative Budget Board and the Governor may disapprove the transfer during the 30 day period.

b. **Full-time-equivalent (FTE) Positions.** Out of the FTE positions identified above for DFPS, 9,926.4 positions in fiscal year 2022 and 9,965.4 positions in fiscal year 2023 are allocated to Strategy B.1.1, CPS Direct Delivery Staff, and 802.8 positions for each fiscal year are allocated to Strategy D.1.1, APS Direct Delivery Staff.

None of the FTEs allocated by this rider may be transferred out to any other item of

House

Day Care, may be made until approved. A request shall be considered 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.

(b) Funds appropriated above in Strategy B.1.3, TWC Contracted Day Care, may be used only to acquire child day care services through TWC.

Expenditures for administrative overhead payments to TWC and local workforce boards in connection with any agreement to provide child day care services shall not exceed 5.0 percent of all amounts paid for child day care services out of funds appropriated above in Strategy B.1.3, TWC Contracted Day Care.

10. Limitation on Transfers: CPS and APS Direct Delivery Staff.

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b. **Full-time-equivalent (FTE) Positions.** Out of the FTE positions identified above for DFPS, 10,480.4 positions in fiscal year 2022 and 10,529.4 positions in fiscal year 2023 are allocated to Strategy B.1.1, CPS Direct Delivery Staff, and 802.8 positions for each fiscal year are allocated to Strategy D.1.1, APS Direct Delivery Staff.

None of the FTEs allocated by this rider may be transferred to any other item of appropriation or utilized for any purpose other than the specific purpose for which the FTEs are allocated without the prior written approval of the Legislative Budget Board and the Governor.

Senate

appropriation or utilized for any purpose other than the specific purpose for which the FTEs are allocated without the prior written approval of the Legislative Budget Board and the Governor. DFPS may transfer FTEs in with prior written notification to the Legislative Budget Board and the Governor 30 days prior to the transfer. The Legislative Budget Board and the Governor may disapprove the transfer during the 30 day period.

c. **Limitations on Transfers: Request for Approval.** To request approval for the transfer of funds and/or FTEs, DFPS shall submit at least 60 days prior to when the funds or FTEs are intended to be expended or reallocated for a different purpose a written request to the Legislative Budget Board and the Governor that 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 name of the strategy or strategies affected by the transfer, and the method of finance and FTEs for each program 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 programs; and

(4) the capital budget impact.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner.

The transfer request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue written approvals 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.

House

c. **Limitations on Transfers: Request for Approval.** To request approval for the transfer of funds and/or FTEs, DFPS shall submit at least 60 days prior to when the funds or FTEs are intended to be expended or reallocated for a different purpose a written request to the Legislative Budget Board and the Governor that 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 name of the strategy or strategies affected by the transfer, and the method of finance and FTEs for each program 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 programs; and

(4) the capital budget impact.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner.

The transfer request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue written approvals 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.

Senate	House
29. Human Trafficking Identification, Deterrence and Response. Out of funds appropriated above to the Department of Family and Protective Services (DFPS) in Strategy B.1.2, CPS Program Support, $574,999 in All Funds ($521,897 in General Revenue) and 5.0 FTEs in each fiscal year shall be used to fund the following: (1) identify human trafficking victims in DFPS conservatorship and develop a process for referring identified human trafficking victims to appropriate entities for treatment services; (2) coordinate with the Human Trafficking Task Force, the implementation of training for DFPS staff regarding the identification and deterrence of youth at risk for human trafficking within DFPS conservatorship; and (3) coordinate investigative activities related to human trafficking of youth with the Department of Public Safety (DPS), Office of Attorney General (OAG), Texas Juvenile Justice Department (TJJD) and Office of Inspector General (OIG), and other state or local law enforcement agencies in order to ensure the detection, deterrence, enforcement and prosecution of human traffickers. (4) DFPS shall report November 1 of each year to the Legislative Budget Board, the Human Trafficking Task Force, the Senate Health and Human Services Committee and the House Human Services Committee, the number of youth identified as victims of human trafficking within DFPS conservatorship; the number of youth referred for treatment services who are victims of human trafficking; the number of staff trained to detect and prevent human trafficking; a description of the deterrence and enforcement actions the agency has been involved in with TJJD, DPS, OAG and other state or local law enforcement agencies. (5) DFPS and the Health and Human Services Commission shall coordinate to better identify and track human trafficking victims, or those at risk of human trafficking (as well as other populations exempted under the Family First Prevention Services Act), and facilities serving those populations. The report shall be submitted December 1, 2022, to the Legislative Budget Board, the Governor, the House Committee on Appropriations, the Senate Committee on Finance, the House Committee on Human Services, the Senate Committee on	**29. Human Trafficking Prevention.** Out of funds appropriated above to the Department of Family and Protective Services in Strategy B.1.2, CPS Program Support, $574,999 in All Funds ($521,897 in General Revenue) and 5.0 FTEs in each fiscal year shall be used to fund the prevention of human trafficking.

Senate	House
Health and Human Services, and any standing Joint Legislative Oversight Committees, as appropriate.	
	37. Family First Prevention Services Act (FFPSA). Funds appropriated to the Department of Family and Protective Services in this Act do not assume a loss of Title IV-E federal funding in Strategy B.1.9, Foster Care Payments, due to implementing the provisions of the federal FFPSA.
37. Federal Funds Maximization. The Department of Family and Protective Services (DFPS) shall submit progress reports related to the agency's efforts to maximize federal funds, including identifying the strategies DFPS has implemented and any successes and challenges in maximizing funding. DFPS shall also report how the agency can maximize federal funds by program and funding source. Progress reports shall be submitted by September 1 and March 1 of each year to the Legislative Budget Board and the Governor. No funds in this Act appropriated to DFPS as match for federal funds may be expended as unmatched General Revenue without prior written approval of the Legislative Budget Board and the Governor. In addition, within 60 days of the end of each fiscal quarter, DFPS shall submit a report related to the use of Title IV-E federal funding and state funding utilized for children in conservatorship of the state placed in a congregate care setting. The report shall include the total number of children in congregate care, the subtotal of children broken down by level of care, and total funding by method of finance. The reports shall be submitted to the Legislative Budget Board, 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 committee Joint Legislative Oversight Committees, as appropriate.	

Senate	House
38. Community Youth Development (CYD) Program. Out of amounts appropriated above in Strategy C.1.2, CYD Program, the Department of Family and Protective Services is appropriated $6,660,951 in General Revenue Funds in each fiscal year of the 2022-23 biennium for the purpose of implementing the CYD program.	**38. Family First Transition Act Funds.** Out of funds appropriated above, the Department of Family and Protective Services (DFPS) is appropriated $33,873,867 in Family First Transition Act (FFTA) federal funds in the 2022-23 biennium to implement the following programs in an effort to come into compliance with the federal Family First Prevention Services Act (FFPSA): (1) $4,450,000 in Federal Funds in each fiscal year of the biennium in order to pilot FFPSA prevention services coordinated through Child Protective Services; (2) $4,900,000 in Federal Funds in each fiscal year of the biennium to purchase pilot services and interventions for children who are at imminent risk of being removed from the child's home and placed into the conservatorship of DFPS because of a continuing danger to the child's physical health or safety caused by an act or failure to act of a person entitled to possession of the child, but for whom a court of competent jurisdiction has issued an order allowing the child to remain safely in the child's home or in a kinship placement with the provision of family preservation services; (3) $2,600,000 in Federal Funds in each fiscal year of the biennium for the Nurse Family Partnership to expand capacity as allowed by the FFPSA; and (4) $4,986,933 in Federal Funds in fiscal year 2022 and $4,986,934 in Federal Funds in fiscal year 2023 to add to the DFPS Qualified Residential Treatment Pilot (QRTP) pilot project. In addition to funds allocated above, DFPS shall report on the progress of increasing the capacity of qualifying community-based prevention and family preservation services, including a full accounting of funds expended. The report shall be prepared in a format specified by the Legislative Budget Board and shall be submitted by March 31 and September 30 of each fiscal year of the biennium. The report shall be provided to the Legislative Budget Board, the Governor, the House Committee on Appropriations, the Senate Committee on Finance, the House Committee

Senate	House
	on Human Services, the Senate Committee on Health and Human Services, and any standing Joint Legislative Oversight Committees, as appropriate. The report shall also be posted on the agency's public webpage in order to ensure transparency with the public and stakeholders.
39. Aligning Oversight of Foster Care Providers and Foster Families. Out of funds appropriated above in Strategy B.1.1, CPS Direct Delivery Staff, the Department of Family and Protective Services (DFPS) shall work with the Health and Human Services Commission and other foster care oversight entities to align functions and eliminate any unnecessary or duplicative oversight while still maintaining transparency and accountability. This shall include the impact of increased oversight on foster family recruitment and retainment, elimination of duplicative functions, improved communications and documentation between agencies, fiscal impact on foster care providers, and improved alignment with Community-based Care implementation. DFPS shall report to the Legislative Budget Board and the Governor on efficiencies identified and actions taken, as well as any recommendations for the following biennium by August 31, 2022.	
41. Permanency Care Assistance. It is the intent of the legislature that the Department of Family and Protective Services shall prioritize the Permanency Care Assistance program to ensure that children and families are receiving the financial assistance available to support the transition to permanent managing conservatorship.	
	42. Faith and Community Based Partner Coordination. It is the intent of the legislature that 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 shall use appropriations included in all Strategies in Goal C, Prevention Programs, to maintain 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 and the gathering and reporting of

Senate	House
	information on entity type of vendor as outlined in the Texas Business Organizations Code and the National Taxonomy of Exempt Entities.
	43. Capacity Study. Out of funds appropriated above in Strategy B.1.2, CPS Program Support, the Department of Family and Protective Services shall conduct a study to review current capacity and services for pregnant and parenting foster youths. The study shall offer recommendations on how to improve capacity and offer recommendations on where capacity can be improved by geographical region. The report shall be submitted no later than November 1, 2022, to the Legislative Budget Board, 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.
43. Office of the Ombudsman. Out of funds appropriated above to the Department of Family and Protective Services (DFPS) for the purposes of establishing or maintaining an ombudsman, DFPS shall transfer the corresponding funds and full-time equivalents (FTEs) to the Health and Human Services Commission for the same purpose.	
44. Foster Care Ombudsman. Out of funds appropriated above in Strategy B.1.1, CPS Direct Delivery Staff, the Department of Family and Protective Services shall ensure that every child in foster care receive information for how to contact and provide a complaint to the Health and Human Services Commission's Ombudsman for Youth and Children in Foster Care.	
	44. Transportation Pilot Program Study. Out of funds appropriated above in Strategy B.1.8, Other

Senate	House
	CPS Purchased Services, the Department of Family and Protective Services (DFPS) shall determine if it is cost effective to establish a pilot program to expand transportation options available for children and parents in order to determine if reunification outcomes can be improved by supporting family visitation, and better enabling parents to participate in services required under their plan of service through assistance of Transportation Network Companies. This study shall be submitted no later than December 1, 2022, to the Legislative Budget Board, 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.
45. Community-based Care (CBC) Funding Methodology. Out of funds appropriated above to the Department of Family and Protective Services (DFPS) in Strategy B.1.2, CPS Program Support, the agency shall: a) Establish a funding methodology for CBC that includes the following: 1) Defines a daily rate paid to Single Source Continuum Contractors (SSCCs) to provide care for children that reflects the unique and varied needs of children being served within the catchment area; 2) Incentivizes providers to address the behavioral, physical, and mental health needs of children in a manner that allows children to transition to less restrictive levels of care; 3) Accounts for regional variations and recognizes differences in the cost of providing care within individual catchment areas; 4) Is outcome based; and 5) Provides a more equitable balance of financial risk between the state and SSCCs. b) Adopt the CBC funding methodology in all legacy regions to aid in regional preparations for transitioning from the legacy system to the CBC model.	

Senate	House
	45. Report on Suicide among Foster Youth. Out of funds appropriated to the Department of Family and Protective Services above in Strategy E.1.2, Other Support Services, the department shall collect data and issue a report on suicide among foster youth. The report must include the following information: (1) the rate of suicide among foster youth in the state; (2) the rate of suicide attempts among foster youth in the state; (3) the information described in subdivisions (1) and (2) disaggregated by: (a) age; (b) gender; (c) race; (d) ethnicity; (e) department region; (f) placement type; and (g) primary language; (4) the department's policies and procedures relating to suicide prevention, intervention, and postvention; (5) the department's training protocols for caseworkers and department contractors relating to suicide prevention; (6) how the department's suicide prevention plan for foster youth aligns with the broader mental health plans of the department and the Health and Human Services Commission; and

Senate	House
	(7) recommendations on how to: (a) reduce the incidence of suicide among foster youth; (b) improve training, planning, and coordination regarding suicide prevention, intervention, and postvention; and (c) assist foster youth who survive a suicide attempt with reintegration into foster placement.
46. Interoperability of Data System. Out of funds appropriated above to the Department of Family and Protective Services in Strategy E.1.4, IT Program Support, the agency shall ensure the interoperability of the state's Information Management Protecting Adults and Children in Texas (IMPACT) case management system with the systems operated by Single Source Continuum Contractors in regions where Community-based Care is implemented to facilitate a seamless two-way exchange of data.	
47. Conservatorship Caseload per Worker. It is the intent of the legislature that funding provided above to the Department of Family and Protective Services in Strategy B.1.1, CPS Direct Delivery Staff, is to be used to achieve a conservatorship caseload of 16.2 children per worker.	
48. Random Moment Time Study. Upon the Department of Family and Protective Services' (DFPS) conclusion of the random moment time study for Community-based Care, DFPS shall submit the results of that study to the Legislative Budget Board, 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	

Senate	House
Legislative Oversight Committees, as appropriate.	

Senate

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code, §1232.103.

	2022	2023
a. Repair or Rehabilitation of Buildings and Facilities		
(1) Laboratory Repair and Renovation	$ 750,000	$ 750,000
(2) Texas Center for Infectious Disease Repair and Renovation	888,000	UB
Total, Repair or Rehabilitation of Buildings and Facilities	$ 1,638,000	$ 750,000
b. Acquisition of Information Resource Technologies		
(1) Emergency Medical Services Trauma Registry Project	$ 300,000	$ 300,000
(2) HIV2000 RECN ARIES Replacement (HRAR) Implementation Project	500,000	UB
(3) IT Accessibility	1,079,943	1,079,943
(4) Inventory Tracking Electronic Asset Management System (ITEAMS)	900,000	UB
(5) Seat Management	2,748,061	2,748,061
(6) Data Integration	2,064,980	188,851
(7) Texas Health Care Safety Network (TxHSN)	2,055,807	23,157
(8) Identity Access Management	500,000	167,000
(9) Laboratory Electronic Ordering and Reporting	1,294,632	301,367
(10) Network Infrastructure	3,000,000	1,400,000
(11) Pharmacy Software	150,000	UB
(12) Website Upgrade	2,215,796	630,593
(13) TXEVER Order Fulfillment Enhancements	500,000	500,000
(14) Customer Service Efficiency	845,056	335,972

House

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	2022	2023
a. Repair or Rehabilitation of Buildings and Facilities		
(1) Laboratory Repair and Renovation	$ 750,000	$ 750,000
b. Acquisition of Information Resource Technologies		
(1) Emergency Medical Services Trauma Registry Project	$ 300,000	$ 300,000
(2) HIV2000 RECN ARIES Replacement (HRAR) Implementation Project	500,000	UB
(3) IT Accessibility	1,079,943	1,079,943
(4) Inventory Tracking Electronic Asset Management System (ITEAMS)	900,000	UB
(5) Seat Management	2,748,061	2,748,061
(6) Data Integration	2,064,980	188,851
(7) Texas Health Care Safety Network (TxHSN)	2,055,807	23,157
(8) Identity Access Management	500,000	167,000
(9) Laboratory Electronic Ordering and Reporting	1,294,632	301,367
(10) Network Infrastructure	3,000,000	1,400,000
(11) Pharmacy Software	150,000	UB
(12) Website Upgrade	2,215,796	630,593
(13) TXEVER Order Fulfillment Enhancements	500,000	500,000
Total, Acquisition of Information Resource Technologies	$ 17,309,219	$ 7,338,972
c. Acquisition of Capital Equipment and Items		
(1) DSHS Miscellaneous Equipment	$ 40,000	$ 40,000
(2) Texas Vaccine For Children (TVFC)		

DEPARTMENT OF STATE HEALTH SERVICES

Differences Only

(Continued)

	Senate		House	
Total, Acquisition of Information Resource Technologies	$ 18,154,275	$ 7,674,944		
c. Acquisition of Capital Equipment and Items				
(1) DSHS Miscellaneous Equipment	$ 40,000	$ 40,000		
(2) Texas Vaccine For Children (TVFC) Data Loggers	149,985	149,985	Data Loggers	149,985 149,985
(3) Miscellaneous Lab Equipment	1,998,973	1,614,482	(3) Miscellaneous Lab Equipment	1,998,973 1,614,482
(4) Pharmacy Equipment	800,000	UB	(4) Pharmacy Equipment	800,000 UB
(5) VSS Quality and Security Project	333,850	475,425	(5) VSS Quality and Security Project	333,850 475,425
Total, Acquisition of Capital Equipment and Items	$ 3,322,808	$ 2,279,892	Total, Acquisition of Capital Equipment and Items	$ 3,322,808 $ 2,279,892
d. Data Center Consolidation				
(1) Data Center Consolidation	$ 13,715,220	$ 13,715,220	(1) Data Center Consolidation	$ 24,073,201 $ 23,303,657
e. Cybersecurity				
(1) Cybersecurity	$ 830,998	$ 830,998	(1) Cybersecurity	$ 830,998 $ 830,998
(2) IT Security	1,200,000	1,200,000	(2) IT Security	1,200,000 1,200,000
Total, Cybersecurity	$ 2,030,998	$ 2,030,998	Total, Cybersecurity	$ 2,030,998 $ 2,030,998
Total, Capital Budget	$ 38,861,301	$ 26,451,054	Total, Capital Budget	$ 47,486,226 $ 35,703,519
Method of Financing (Capital Budget):			Method of Financing (Capital Budget):	
General Revenue Fund			General Revenue Fund	
General Revenue Fund	$ 13,187,792	$ 13,048,351	General Revenue Fund	$ 16,894,109 $ 17,156,515
GR for HIV Services Account No. 8005	4,187,711	3,237,711	GR for HIV Services Account No. 8005	4,187,711 3,237,711
Subtotal, General Revenue Fund	$ 17,375,503	$ 16,286,062	Subtotal, General Revenue Fund	$ 21,081,820 $ 20,394,226
General Revenue Fund - Dedicated			General Revenue Fund - Dedicated	
Vital Statistics Account No. 019	$ 32,025	$ 32,025	Vital Statistics Account No. 019	$ 32,025 $ 32,025
Food and Drug Fee Account No. 341	4,802	4,802	Food and Drug Fee Account No. 341	4,802 4,802
Bureau of Emergency Management Account No. 512	223,434	83,993		
Public Health Services Fee Account No. 524	2,164,225	1,658,734	Public Health Services Fee Account No. 524	2,164,225 1,658,734
Asbestos Removal Licensure Account No. 5017	331,185	191,744	Asbestos Removal Licensure Account No. 5017	107,751 107,751
			Food and Drug Registration Account No. 5024	76,248 76,248
			Subtotal, General Revenue Fund - Dedicated	$ 2,385,051 $ 1,879,560
			Federal Funds	
			Coronavirus Relief Fund	$ 17,353,707 $ 8,246,213
			Federal Funds	2,148,997 2,908,252

	Senate		House	
Food and Drug Registration Account No. 5024	251,002	160,241		
Subtotal, General Revenue Fund - Dedicated	$ 3,006,673	$ 2,131,539		
Federal Funds				
Coronavirus Relief Fund	$ 11,787,435	$ 2,849,933		
Federal Funds	2,148,997	2,908,252		
Subtotal, Federal Funds	$ 13,936,432	$ 5,758,185	$ 19,502,704	$ 11,154,465
Other Funds				
Appropriated Receipts	$ 2,166,399	$ 1,419,974	$ 2,140,357	$ 1,419,974
Public Health Medicaid Reimbursements Account No. 709	671,000	550,000	671,000	550,000
Interagency Contracts	305,294	305,294	305,294	305,294
HIV Vendor Drug Rebates Account No. 8149	1,400,000	UB	1,400,000	UB
Subtotal, Other Funds	$ 4,542,693	$ 2,275,268	$ 4,516,651	$ 2,275,268
Total, Method of Financing	$ 38,861,301	$ 26,451,054	$ 47,486,226	$ 35,703,519

26. Texas HIV Medication Program. It is the intent of the Legislature that the Department of State Health Services maximize appropriations to the Texas HIV Medication Program by:

(a) applying for the maximum supplemental award for HIV Care Formula Grants each year;

(b) implementing an insurance purchase model to pay for insurance premiums and HIV medication co-pays for up to 20.0 percent of medication clients to increase HIV Vendor Drug Rebate revenue; and

(c) implementing the cost containment measures outlined in 25 Texas Administrative Code §98.115 as needed.

Senate

House

26. Federal Funds Reporting Requirement.

(a) Included in amounts appropriated above are the following amounts in each fiscal year:

(1) $37,045,865 in Public Health Emergency Preparedness federal funds in Strategy A.1.1, Public Health Preparedness and Coordinated Services;

(2) $16,528,769 in Bioterrorism Hospital Preparedness Program federal funds in Strategy A.1.1, Public Health Preparedness and Coordinated Services; and

(3) $27,546,091 in Immunization Grants federal funds in Strategy A.2.1, Immunize Children and Adults in Texas.

(b) If the projected expenses as included in the Monthly Financial Report required by Rider 11, Other Reporting Requirements, for the awards identified in subsection (a) differ from the appropriated amounts in a fiscal year by more than $1,000,000, the Department of State Health Services shall provide the following information with the Monthly Financial Report:

(1) why the amounts identified are unable to be expended or why additional funds are available to be expended;

(2) an explanation of which programs funded by the awards will be impacted and any effect on performance measures;

(3) the award amount received in the current and previous award year; and

(4) if applicable, the amount of the award that will be carried forward to the following year.

27. HIV Care Formula Grants. If the projected expenses for the HIV Care Formula Grants as included in the Monthly Financial Report required by Rider 11, Other Reporting Requirements, require the Department of State Health Services to either expend HIV Care Formula Grants in excess of the appropriated amounts or expend a portion of the upcoming year's award in the

Senate

House

current fiscal year, DSHS shall provide the following information with their Monthly Financial Report:

(a) the amount of the future award to be expended in the current fiscal year;

(b) the reason for spending the funds early; and

(c) the effect of spending the funds early on funding availability in the following fiscal year.

28. Hospital Care Information Funding. Relating to the appropriations made to the Department of State Health Services under Strategy A.1.5, Health Data and Statistics, it is the intent of the legislature that the department use excess money collected under Sec. 241.025(d), Health and Safety Code, to administer the department's responsibilities under Chapters 108 and 324, Health and Safety Code, and similar laws that require the department to provide information related to hospital care to the public.

28. Emergency Medical Task Force.

(a) Out of the amounts appropriated above in Strategy A.1.1, Public Health Preparedness and Coordinated Services, the Department of State Health Services (DSHS) shall transfer $2,000,000 in each fiscal year of the biennium out of Federal Funds to the eight regional Emergency Medical Task Force (EMTF) Lead Regional Advisory Councils (RACs) to fund ongoing programs, exercises, and readiness.

(b) Out of the amounts appropriated above in Strategy A.1.1, Public Health Preparedness and Coordinated Services, DSHS shall transfer $500,000 in each fiscal year of the biennium out of Federal Funds to the Southwest Texas RAC (as the State Coordinating Office for the EMTF program) to fund the management of the EMTF program.

(c) Out of the amounts appropriated above in Strategy A.1.1, Public Health Preparedness and

Senate	House
Coordinated Services, DSHS shall transfer $2,500,000 in each fiscal year of the biennium out of Federal Funds to the Southwest Texas RAC for the replacement of critical emergency medical response equipment statewide, including specialized emergency medical vehicles, trailers, inflatable equipment, and durable medical equipment.	
29. Report on Consumable Hemp Program. Out of the funds appropriated above to the Department of State Health Services, the agency shall report on the state consumable hemp program by providing an overview of licensing and enforcement activities, including: (1) complaints received relating to a consumable hemp product or consumable hemp product ingredient; (2) complaints related to consumable hemp retailers or manufacturers; (3) reports of mislabeling of a consumable hemp product; and (4) a summary of regulatory actions. Not later than November 1, 2022, the department shall submit a report to the Senate Health and Human Services and House Public Health Committees.	
	30. COVID-19 Vaccine Awareness Campaign. Out of funds appropriated above, the Department of State Health Services (DSHS) shall develop and implement a public awareness campaign designed to increase awareness of and educate the public concerning the safety and effectiveness of COVID-19 vaccines that are approved or authorized for emergency use by the United State Food and Drug Administration. In implementing the campaign, DSHS shall seek to disseminate scientific and evidence-based information and combat misinformation with the goal of increasing vaccination rates, particularly in communities with low rates of vaccination. To the extent possible, DSHS shall use available federal funds for this campaign.

Senate

House

31. Schedule I Drug Scheduling. It is the intent of the Legislature that any prescription drug approved by the federal Food and Drug Administration under Section 505 of the federal Food, Drug and Cosmetic Act that is designated, rescheduled, or deleted as a controlled substance under federal law by the United States Drug Enforcement Administration shall be excluded from Schedule I and shall be prescribed, distributed, dispensed, or used in accordance with federal law upon the issuance of a notice, final rule or interim final rule by the United States Drug Enforcement Administration designating, rescheduling, or deleting as a controlled substance such a drug product under federal law, unless and until the Commissioner publishes an objection pursuant to Tex. Health & Safety Code §481.034 to the extent allowable in federal and state statute. If the Commissioner does not publish an objection, the drug product shall be deemed to be designated, rescheduled, or deleted as a controlled substance in accordance with federal law and in compliance with this chapter.

32. Report on Federal Public Health Funding to Local Health Entities. The Department of State Health Services shall produce a report on the allocation of federal public health funding received from the Centers for Disease Control from January 1st, 2020, to July 1st, 2021, to state programs and local health entities. The report shall be provided to the Governor, Lieutenant Governor, Chair of the House and Senate Finance Committees, Chair of the House Public Health Committee, and Chair of the Senate Health and Human Services Committee by January 31st, 2022.

33. Study on COVID-19 Testing and Immunization Distribution Equity.

(a) Out of amounts appropriated above to the Department of State Health Services for Strategy A.2.1, Immunize Children and Adults in Texas, the department shall allocate an amount as necessary for the purpose of conducting a study on the equity of COVID-19 testing and immunization distribution in this state.

Senate

House

(b) The study conducted under this rider must identify any disparities in the distribution of or access to COVID-19 tests and immunizations in this state based on an individual's race, gender, socioeconomic status, and geographic location.

(c) Not later than December 31, 2022, the Department of State Health Services shall submit to the legislature a report that includes:

(1) the findings of the study conducted under this rider; and

(2) recommendations for making the distribution of and access to COVID-19 tests and immunizations more equitable in this state.

(2) recommendations for making the distribution of and access to COVID-19 tests and immunizations more equitable in this state.

34. Unexpended Balance Authority: Texas Center for Nursing Workforce Studies Funding. Funds appropriated above in Strategy A.1.5, Health Data and Statistics, include an interagency contract with the Board of Nursing in the amount of $739,550 in the state fiscal year ending on August 31, 2022, and $750,550 in the state fiscal year ending on August 31, 2023, to provide funding for the Texas Center for Nursing Workforce Studies and to support the grant program to reduce workplace violence against nurses.

Any unexpended balances of these funds for the state fiscal year ending August 31, 2022, are appropriated to the Department of State Health Services for the same purposes for the fiscal year beginning September 1, 2022.

Senate	House
4. Hospital Uncompensated Care. The Health and Human Services Commission (HHSC) shall ensure that the reporting of uncompensated 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, 2022, which details the impact of patient specific and lump sum supplemental payments 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. Although HHSC must report on all Texas hospitals, HHSC may use the most accurate data available for each hospital.	
16. Supplemental Payment Programs Reporting and Appropriation Authority for Intergovernmental Transfers. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts & Administration, the Health and Human Services Commission (HHSC) shall report certain financial and expenditure information regarding supplemental payment programs, including, but not limited to, the Disproportionate Share Hospital (DSH) program, the Uncompensated Care (UC) Pool, the Public Health Provider Charity Care Program (PHP-CCP), and other state directed payment programs, supplemental, or other payments where the source of the non-federal share is intergovernmental transfers (IGTs) or certified public expenditures (CPEs), and any successor programs. (a) HHSC shall report quarterly: (1) Prospective payment estimates, aligning estimated payments reporting with the CMS-37. The report will include a prospective certification that the requisite matching state and local funds are, or will be, available for the certified quarter. The quarterly financial report provides a statement of the state's Medicaid funding requirements for a certified quarter through summary data by each program; and	**15. Supplemental Payment Programs Reporting and Appropriation Authority for Intergovernmental Transfers.** Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts & Administration, the Health and Human Services Commission (HHSC) shall report certain financial and expenditure information regarding supplemental payment programs, including, but not limited to, the Disproportionate Share Hospital (DSH) program, the Uncompensated Care (UC) Pool, the Public Health Provider Charity Care Pool, and other state directed payment programs, supplemental or other payments where the source of the non-federal share is intergovernmental transfers (IGTs) or certified public expenditures (CPEs), and any successor programs. (a) HHSC shall report quarterly: (1) Prospective payment estimates, aligning estimated payments reporting with the CMS-37. The report will include a prospective certification that the requisite matching state and local funds are, or will be, available for the certified quarter. The quarterly financial report provides a statement of the state's Medicaid funding requirements for a certified quarter through summary data by each program; and

Senate

(2) Expenditures made in the previous quarter, aligning expenditure reporting with the CMS-64. The report will include actual expenditures allowable under state and federal requirements. HHSC will report the recipients of all funds distributed by the commission for all supplemental payment programs. The report shall include:

(A) the recipients of funds by program;

(B) the amount distributed to each recipient; and

(C) the date such payments were made.

(b) HHSC shall report annually:

(1) Information on all mandatory payments to a Local Provider Participation Fund (LPPF) and all uses for such payments, including the amount of funds from an LPPF for each particular use;

(2) The total amount of IGTs used to support Medicaid;

(3) The total amount of CPEs used to support Medicaid;

(4) A summary of any survey data collected by HHSC to provide oversight and monitoring of the use of local funds in the Medicaid program; and

(5) All financial reports submitted to the Centers for Medicare and Medicaid Services related to programs that use local funds in the Medicaid program.

(c) IGTs of funds from institutions of higher education are appropriated to HHSC for the non-federal share of uncompensated care or delivery system reform incentive payments or monitoring costs under the Healthcare Transformation and Quality Improvement Program 1115 Waiver.

(d) In an effort to maximize the receipt of federal Medicaid funding, HHSC is appropriated and may expend IGT received as Appropriated Receipts-Match for Medicaid No. 8062 for the

House

(2) Expenditures made in the previous quarter, aligning expenditure reporting with the CMS-64. The report will include actual expenditures allowable under state and federal requirements. HHSC will report the recipients of all funds distributed by the commission for all supplemental payment programs. The report shall include:

(A) the recipients of funds by program;

(B) the amount distributed to each recipient; and

(C) the date such payments were made.

(b) HHSC shall report annually:

(1) Information on all mandatory payments to a Local Provider Participation Fund (LPPF) and all uses for such payments, including the amount of funds from an LPPF for each particular use;

(2) The total amount of IGT used to support Medicaid;

(3) The total amount of CPEs used to support Medicaid;

(4) A summary of any survey data collected by HHSC to provide oversight and monitoring of the use of local funds in the Medicaid program; and

(5) All financial reports submitted to the Centers for Medicare and Medicaid Services related to programs that use local funds in the Medicaid program.

(c) IGTs of funds from institutions of higher education are appropriated to HHSC for the non-federal share of uncompensated care or delivery system reform incentive payments or monitoring costs under the Healthcare Transformation and Quality Improvement Program 1115 Waiver.

(d) In an effort to maximize the receipt of federal Medicaid funding, HHSC is appropriated and may expend IGT received as Appropriated Receipts-Match for Medicaid No. 8062 for the purpose of matching Medicaid Federal Funds for payments to Medicaid providers and to

Senate	House
purpose of matching Medicaid Federal Funds for payments to Medicaid providers and to offset administrative costs for programs HHSC administers for other entities.	offset administrative costs for programs HHSC administers for other entities.
(e) From funds appropriated elsewhere in the act, HHSC shall provide a copy of the annual independent audit conducted of DSH and UC in compliance with federal requirements. HHSC shall provide a report of the audit's findings annually by June 30 to the Governor, the Lieutenant Governor, the Speaker of the House of Representatives, the Senate Finance Committee members, the House Appropriations Committee members, and the Legislative Budget Board.	(e) From funds appropriated elsewhere in the act, HHSC shall provide a copy of the annual independent audit conducted of DSH and UC in compliance with federal requirements. HHSC shall provide a report of the audit's findings annually by June 30 to the Governor, the Lieutenant Governor, the Speaker of the House of Representatives, the Senate Finance Committee members, the House Appropriations Committee members, and the Legislative Budget Board.
(f) HHSC will use the sums transferred from state owned hospitals as provided elsewhere in the Act as necessary to apply for appropriate matching Federal Funds and to provide the state's share of disproportionate share payments and uncompensated care payments authorized under the federal Healthcare Transformation and Quality Improvement Waiver, excluding payments for physicians, pharmacies, and clinics, due to state-owned hospitals. Any amounts of such transferred funds not required for these payments shall be deposited by HHSC to the General Revenue Fund as unappropriated revenue. Payments for physicians, pharmacies, and clinics are governed by Special Provisions Relating Only to Agencies of Higher Education, §54.	(f) HHSC will use the sums transferred from state owned hospitals as provided elsewhere in the Act as necessary to apply for appropriate matching Federal Funds and to provide the state's share of disproportionate share payments and uncompensated care payments authorized under the federal Healthcare Transformation and Quality Improvement Waiver, excluding payments for physicians, pharmacies, and clinics, due to state-owned hospitals. Any amounts of such transferred funds not required for these payments shall be deposited by HHSC to the General Revenue Fund as unappropriated revenue. Payments for physicians, pharmacies, and clinics are governed by Special Provisions Relating Only to Agencies of Higher Education, §54.
(g) By October 1 of each fiscal year, HHSC shall present a schedule of projected transfers and payments to the Comptroller of Public Accounts, the Governor, and the Legislative Budget Board.	(g) By October 1 of each fiscal year, HHSC shall present a schedule of projected transfers and payments to the Comptroller of Public Accounts, the Governor, and the Legislative Budget Board.
(h) In addition to the "Number of Full Time Equivalents CFTE)" appropriated above, an additional 25.0 FTEs are authorized for each year of the 2022-23 biennium if HHSC determines the additional staff are necessary implement the extension of the Healthcare Transformation and Quality Improvement 1115 waiver, including for increased monitoring and oversight of the use of local funds, and administration of new directed-payment programs and new supplemental payment programs.	(h) HHSC shall also evaluate the impact, by provider type and class, of transitioning Delivery System Reform Incentive Payment funding available under the federal Healthcare Transformation and Quality Improvement Waiver to successor programs and propose and implement solutions to address reductions in funding for providers including public and rural hospitals as well as any inequities across provider types and classes resulting from such. HHSC shall report on the evaluation, findings and recommendations, including an implementation plan, to the Governor, the Legislative Budget Board, the Lieutenant Governor, the Speaker of the House of Representatives, and the members of the Senate Finance Committee and House Appropriations Committee by October 1, 2021.
(i) Notwithstanding the limitations in Article IX, Section 14.03, Transfers - Capital Budget, and Rider 84, Limitations on Transfer Authority, HHSC is authorized to transfer from an existing capital budget item or non-capital budget item to a new capital budget item not present in the agency's bill pattern to implement an electronic data collection and storage tool for the collection of information to support monitoring of local funds used in the Medicaid program,	(i) In addition to the “Number of Full Time Equivalents (FTE)” appropriated above, an additional 60.0 FTEs are authorized for each year of the 2022-23 biennium if HHSC determines the additional staff are necessary implement the extension of the Healthcare

Senate

provided that HHSC determines that the project is necessary to meet the state's responsibilities under the Special Terms and Conditions for the Healthcare Transformation and Quality Improvement Program 1115 waiver.

(j) HHSC shall evaluate the funding impact, by provider type and class, of the discontinuation of the Delivery System Reform Incentive Payment program and implementation of successor programs on public and rural hospitals. HHSC shall report on the evaluation and findings and recommendations to the Governor, the Legislative Budget Board, the Lieutenant Governor, and the Speaker of the House of Representatives by October l, 2022.

17. Rural Labor and Delivery Medicaid Add-on Payment. Included in amounts appropriated above to the Health and Human Services Commission (HHSC) in Strategy A.1.3, Pregnant Women, is $3,146,400 in General Revenue and $4,853,600 in Federal Funds in fiscal year 2022 and $3,050,400 in General Revenue and $4,949,600 in Federal Funds in fiscal year 2023 for HHSC to provide a $500 Medicaid add-on payment for labor and delivery services provided by rural hospitals. For purposes of this rider, rural hospitals are defined as (1) hospitals located in a county with 60,000 or fewer persons according to the 2010 U.S. Census; or (2) a hospital designated by Medicare as a Critical Access Hospital (CAH), a Sole Community Hospital (SCH), or a Rural Referral Center (RRC) that is not located in a Metropolitan Statistical Area (MSA); or (3) a hospital that has 100 or fewer beds, is designated by Medicare as a CAH, a SCH, or a RRC, and is located in an MSA.

House

Transformation and Quality Improvement 1115 waiver, including for increased monitoring and oversight of the use of local funds, and administration of new directed-payment programs and new supplemental payment programs. Of the additional FTEs authorized by this subsection, HHSC shall designate no less than 23.0 FTEs for the oversight and monitoring of the use of local funds in the Medicaid program.

(j) Notwithstanding the limitations in Article IX, Section 14.03, Transfers - Capital Budget, and Rider 84, Limitations on Transfer Authority, HHSC is authorized to transfer from an existing capital budget item or non-capital budget item to a new capital budget item not present in the agency's bill pattern to implement an electronic data collection and storage tool for the collection of information to support monitoring of local funds used in the Medicaid program, provided that HHSC determines that the project is necessary to meet the state's responsibilities under the Special Terms and Conditions for the Healthcare Transformation and Quality Improvement Program 1115 waiver.

19. Intensive Behavioral Intervention. Included in amounts appropriated above is $22,694,782 in General Revenue and $36,222,097 in Federal Funds in fiscal year 2022 and $54,321,706 in General Revenue and $86,590,631 in Federal Funds in fiscal year 2023 in Strategy A.1.2,

Senate

House

Disability-Related, and $12,261,109 in General Revenue and $20,337,002 in Federal Funds in fiscal year 2022 and $34,955,891 in General Revenue and $43,009,476 in Federal Funds in fiscal year 2023 in Strategy A.1.5, Children, for intensive behavioral intervention services for autism.

20. Improving Access to Pediatric Services.

(a) Included in amounts appropriated above in Strategy A.1.5, Children, is $13,193,307 in General Revenue Funds and $20,531,916 in Federal Funds ($33,725,223 in All Funds) in fiscal year 2022 and $13,169,700 in General Revenue Funds and $20,555,523 in Federal Funds ($33,725,223 in All Funds) in fiscal year 2023 to provide a 7 percent rate increase for services provided in any setting by a physician, including a specialist, to children ages 0 to 3.

(b) Amounts appropriated above in Strategy A.1.5, Children, are reduced by the same amounts identified in subsection (a) due to savings to the Medicaid program from increased access leading to reduced emergency room visits, reduced hospital admissions, reduced extended stays in neonatal intensive care units, and any other access related savings identified by the Health and Human Services Commission (HHSC). No benefits may be reduced to achieve these savings.

(c) It is the intent of the Legislature that HHSC allocate the funding identified in subsection (a) among provider type and procedure codes to improve 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 all funds allocated through this rider are fully reflected in reimbursement rates paid for physician services in both Medicaid fee-for-service and managed care models.

(d) HHSC shall report to the Legislative Budget Board and Governor by September 1, 2022 detailing the compliance by managed care organizations in allocating the additional funds listed above directly to physician services for children ages 0 to 3.

21. Benchmarks for Managed Care Organizations. Pursuant to Government Code §536.052(b),

Senate

House

the Health and Human Services Commission (HHSC) shall develop quality of care and cost-efficiency benchmarks for managed care organizations participating in Medicaid and the Children's Health Insurance Program (CHIP). Pursuant to Government Code §536.052(d), in awarding contracts to managed care organizations under Medicaid and CHIP, HHSC shall give preference to managed care organizations that meet the quality of care and cost-efficiency benchmarks. Appropriations in Strategy B.1.1, Medicaid Contracts & Administration, for fiscal year 2023 are contingent on HHSC developing the required benchmarks by September 1, 2022. HHSC shall report on the development of the benchmarks and plans for their use in managed care procurements to the Governor and the Legislative Budget Board by August 15, 2022.

30. Substance Abuse Treatment Services. Included in amounts appropriated above in Strategy D.2.4, Substance Abuse Services, is $23,634,844 in General Revenue in fiscal year 2022 to reduce the substance abuse treatment waitlist for pregnant women and women with dependent children waiting to receive services provided under Strategy D.2.4, Substance Abuse Services.

31. Community Mental Health Grant Programs.

(a) **Informational Listing.** Included in amounts appropriated above in Strategy D.2.6, Community Mental Health Grant Programs, is the following:

(1) $10,000,000 in General Revenue in each fiscal year of the biennium for a grant program for mental health services for veterans and their families established pursuant to Government Code, Section 531.0992;

(2) $25,000,000 in General Revenue in each fiscal year of the biennium for a grant program to reduce recidivism, arrest, and incarceration among individuals with mental illness and to reduce wait time for forensic commitment established pursuant to Government Code, Section 531.0993;

(3) $5,000,000 in General Revenue in each fiscal year of the biennium for a grant program

31. Community Mental Health Grant Programs.

(a) **Informational Listing.** Included in amounts appropriated above in Strategy D.2.6, Community Mental Health Grant Programs, is the following:

(1) $10,000,000 in General Revenue in each fiscal year for a grant program established pursuant to Government Code, Section 531.0992;

(2) $25,000,000 in General Revenue in each fiscal year for a grant program established pursuant to Government Code, Section 531.0993;

(3) $5,000,000 in General Revenue in each fiscal year for a grant program established pursuant to Government Code, Section 531.09935;

(4) $20,000,000 in General Revenue in each fiscal year for a grant program established

Senate

to reduce recidivism, arrest, and incarceration among individuals with mental illness and to reduce wait time for forensic commitment in the most populous county established pursuant to Government Code, Section 531.09935;

(4) $20,000,000 in General Revenue in each fiscal year of the biennium for a community mental health grant program established pursuant to Government Code Section 531.0991; and

(5) $12,500,000 in General Revenue in each fiscal year of the biennium to provide grants for Healthy Community Collaboratives pursuant to Government Code, Section 539.002.

(b) **Unexpended Balance Authority within the Biennium.** Any unexpended balances remaining at the end of the first fiscal year of the biennium in Strategy D.2.6, Community Mental Health Grant Programs, are appropriated for the same purposes for the second fiscal year of the biennium.

(c) **Reporting Requirement.** By November 1, 2022, HHSC shall submit a report detailing the expenditure of funds appropriated in Strategy D.2.6, Community Mental Health Grant Programs. The report shall include the following: the number of grants awarded, amount awarded per entity, effectiveness of the grants, the number of individuals served by each grant program, and any other information requested by the Legislative Budget Board. The report shall be submitted to the Legislative Budget Board, the Governor, the Senate Finance Committee, and the House Appropriations Committee.

(d) **Other Requirements.** Contingent upon the availability of local matching funds pursuant to Government Code, Section 539.002, $10,000,000 in General Revenue for the biennium from the amount identified above in subsection (a)(5) may be allocated to fund Healthy Community Collaboratives in rural areas. HHSC shall consider funding received by a collaborative from the Texas Department of Housing and Community Affairs prior to releasing funds in subsection (a)(5) to the collaborative.

HHSC shall issue a needs and capacity assessment to solicit grant program proposals for the funding identified in subsection (a)(2).

House

pursuant to Government Code Section 531.0991; and

(5) $12,250,000 in General Revenue in each fiscal year to provide grants pursuant to Government Code, Section 539.002.

(b) **Unexpended Balance Authority within the Biennium.** Any unexpended balances remaining at the end of the first fiscal year of the biennium in Strategy D.2.6, Community Mental Health Grant Programs, are appropriated for the same purposes for the second fiscal year of the biennium.

(c) **Reporting Requirement.** By November 1, 2022, HHSC shall submit a report detailing the expenditure of funds appropriated in Strategy D.2.6, Community Mental Health Grant Programs. The report shall include the following: the number of grants awarded, amount awarded per entity, effectiveness of the grants, the number of individuals served by each grant program, and any other information requested by the Legislative Budget Board. The report shall be submitted to the Legislative Budget Board, the Governor, the Senate Finance Committee, and the House Appropriations Committee.

(d) **Other Requirements.**

(1) Contingent upon the availability of local matching funds pursuant to Government Code, Section 539.002, $10,000,000 in General Revenue for the biennium from the amount identified above in subsection (a)(5) may be allocated to fund Healthy Community Collaboratives in rural areas. HHSC shall consider funding received by a collaborative from the Texas Department of Housing and Community Affairs prior to releasing funds in subsection (a)(5) to the collaborative.

(2) HHSC may allocate not more than $10,000,000 in funds made available to this state under the American Rescue Plan of 2021 (Pub. L. No. 117-2), HOME Supplemental Allocations, TX Non Entitlement (key 489999), that is subject to appropriation from the state treasury and appropriated to the commission, to the extent consistent with conditions placed on the expenditure of that money by the federal government, during the state fiscal biennium ending August 31, 2023, for the purpose of funding capital projects that do not receive local matching funds to establish or expand Healthy Community Collaboratives.

Senate

House

32. Federal Funds Reporting Requirement.

a. Included in amounts appropriated above are the following amounts in Block Grants for Community Mental Health federal funds in each fiscal year:

(1) $48,793,205 in Strategy D.2.1, Community Mental Health Services - Adults;

(2) $14,887,104 in Strategy D.2.2, Community Mental Health Services - Children; and

(3) $1,055,580 in Strategy D.2.4, Substance Abuse Services.

b. If the projected expenses as included in the Monthly Financial Report required by Rider 99, Monthly Financial Reports, from Block Grants for Community Mental Health federal funds in Goal D, Additional Health-Related Services, differ from the appropriated amount in a fiscal year by more than $1,000,000, the Health and Human Services Commission shall provide the following information with the Monthly Financial Report:

(1) why the amounts identified are unable to be expended or why additional funds are available to be expended;

(2) an explanation of which programs funded by the award will be impacted and any effect on performance measures;

(3) the award amount received in the current and previous award year; and

(4) if applicable, the amount of the award that will be carried forward to the following year.

36. Women's Health Programs: Savings and Performance Reporting. The Health and Human Services Commission shall submit an annual report on the Healthy Texas Women (HTW), HTW

37. Women's Health Programs: Savings and Performance Reporting. The Health and Human Services Commission shall submit an annual report on the Healthy Texas Women (HTW),

Senate	House
Plus, Family Planning Program (FPP), and Breast and Cervical Cancer Services Program, due August 1 of each year, to the Legislative Budget Board and the Governor's Office that includes the following information for each program:	Healthy Texas Women Plus (HTW Plus), Family Planning Program (FPP), and Breast and Cervical Cancer Services Program, due August 1 of each year, to the Legislative Budget Board and the Governor's Office that includes the following information for each program:
(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 the prior two fiscal years;	(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 the prior two fiscal years;
(b) Savings or expenditures in the Medicaid program that are attributable to enrollment levels as reported in section (a);	(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, including those focused on recruiting new specialty provider types;	(c) Descriptions of all outreach activities undertaken for the reporting period, including those focused on recruiting new specialty provider types;
(d) The total number of providers, by geographic region and by provider type, enrolled in each program, and providers from legacy Women's Health Programs (including Texas Women's Health Program) not to include duplications of providers or ancillary providers;	(d) The total number of providers, by geographic region and provider type, enrolled in each program, 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, and the total number of unduplicated patients served, detailed by provider;	(e) The average and median numbers of program clients, and the total number of unduplicated patients served, detailed by provider;
(f) The number of program clients with a paid claim, detailed by program type;	(f) The number of program clients with a paid claim, detailed by provider type;
(g) The count of women in HTW and FPP receiving a long-acting reversible contraceptive;	(g) The number of eligible clients who received FPP services after the provider exhausted the contracted funds awarded to provide FPP services (i.e funds gone) and the amount of FPP funds that would have been reimbursed for these services if additional FPP funds had been available during the fiscal year;
(h) The service utilization by procedure code. The 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;	(h) The count of women in HTW and FPP receiving a long-acting reversible contraceptive;
(i) Total expenditures, by method of finance and program; and	(i) The service utilization by procedure code. The 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;
(j) Number of unduplicated women who are determined eligible and enrolled into HTW after their Medicaid for Pregnant Women ends.	(j) Total expenditures, by method of finance and program;

Senate

House

(k) Results of policies designed to reduce enrollment gaps, including but not limited to the number of unduplicated women automatically or administratively-enrolled into HTW from other Medicaid programs or the Children's Health Insurance Program, recommendations for further reducing enrollment gaps, and any impacts to funding resulting from procedural denials and enrollment gaps in HTW; and

(l) Number of unduplicated women who are determined eligible and enrolled into HTW after their Medicaid for Pregnant Women ends.

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 ten percent relative to the prior two fiscal years, the agency shall, within existing resources, undertake corrective measures to expand provider capacity and/or client outreach and enrollment efforts.

This report shall also identify program changes that would maximize outreach and enrollment. HHSC shall work with women's health providers, advocates, and other stakeholders. It is the intent of the Legislature, any changes to program administration that may significantly impact client services and enrollment shall be reported to the Legislature within 30 days of the agency becoming aware of the change with information regarding the projected impact of the change.

40. Alternatives to Abortion Program.

(a) Included in amounts appropriated above in Strategy D.1.2, Alternatives to Abortion, is $46,938,029 in General Revenue Funds, $3,000,000 in Federal Funds, and $73,337 in Other Funds ($50,011,366 in All Funds) in each fiscal year for the Alternatives to Abortion program.

(b) **Unexpended Balance Authority within the Biennium.** Any unobligated and unexpended balances remaining as of August 31, 2022, in Strategy D.1.2, Alternatives to Abortion, are appropriated to HHSC for the same purpose for the state fiscal year beginning September 1, 2022.

(c) **Reporting Requirement.** HHSC shall submit the following information regarding the

41. Alternatives to Abortion Program.

(a) **Unexpended Balance Authority within the Biennium.** Any unobligated and unexpended balances remaining as of August 31, 2022, in Strategy D.1.2, Alternatives to Abortion, are appropriated to HHSC for the same purpose for the state fiscal year beginning September 1, 2022.

(b) **Reporting Requirement.** HHSC shall submit the following information regarding the Alternatives to Abortion program (A2A) to the Legislative Budget Board and the Governor no later than December 1 of each year:

(1) total number of A2A providers, including subcontractors, by geographical region, and the total number of unduplicated clients served by each provider, by gender and age;

Senate	House
Alternatives to Abortion program (A2A) to the Legislative Budget Board and the Governor no later than December 1 of each year: (1) total number of A2A providers, including subcontractors, by geographical region, and the total number of unduplicated clients served by each provider, by gender and age; (2) description of A2A outreach efforts by providers and HHSC; (3) total expenditures, by MOF; (4) total contract amounts by provider, including subcontractors; and (5) any outcome measures included in contracts with providers.	(2) description of A2A outreach efforts by providers and HHSC; (3) total expenditures, by MOF; (4) total contract amounts by provider, including subcontractors; and (5) any outcome measures included in contracts with providers.
41. Breast and Cervical Cancer Services Program Funding. Included in amounts appropriated above in Strategy D.1.1, Women's Health Programs, is $2,755,818 in General Revenue and $9,144,526 in Federal Funds in each fiscal year for the Breast and Cervical Cancer Services (BCCS) Program. In the event federal funds are available in a lesser amount, the Health and Human Services Commission shall seek approval to transfer funds from other sources prior to making any reductions to service levels.	
44. Reporting on Early Childhood Intervention. The Health and Human Services Commission (HHSC) shall submit the following to the Legislative Budget Board and the Governor's Office as it relates to Strategies D.1.3, ECI Services and D.1.4, ECI Respite and Quality Assurance in a format specified by the Legislative Budget Board: (a) Annual report due March 1st that details: (1) By provider and month of service:	**44. Reporting on Early Childhood Intervention.** The Health and Human Services Commission (HHSC) shall submit the following to the Legislative Budget Board and the Governor's Office as it relates to Strategies D.1.3, ECI Services and D.1.4, ECI Respite and Quality Assurance in a format specified by the Legislative Budget Board: (a) Annual report due December 1st that details: (1) By provider and month of service:

Senate	House
(A) Number of children receiving follow along services and total number of children served in comprehensive services;	(A) Number of children receiving follow along services and total number of children served in comprehensive services;
(B) Total amount reimbursed; and	(B) Total amount reimbursed; and
(C) Number of hours of service delivered by service type and Medicaid versus Non-Medicaid within each service type.	(C) Number of hours of service delivered by service type and Medicaid versus Non-Medicaid within each service type.
(2) Total amount collected from private insurance, family cost share, and other local sources;	(2) Total amount collected from private insurance, family cost share, and other local sources;
(3) Percent of program funded by Medicaid;	(3) Percent of program funded by Medicaid;
(4) Average time for complaint resolution; and	(4) Average time for complaint resolution; and
(5) Average monthly number of children receiving respite services.	(5) Average monthly number of children receiving respite services.
(b) Report that provides, for each contractor: the number of children to be served and total ECI program budget, including Medicaid amounts; the HHSC appropriation allocation; the ECI contract amount; and other contractor revenue including actual Medicaid collections for Medicaid Administrative Claiming, Targeted Case Management, and Specialized Skills Training. The report shall be submitted two separate times, within 30 calendar days of the following milestones being reached:	(b) Report that provides, for each contractor: the number of children to be served and total ECI program budget, including Medicaid amounts; the HHSC appropriation allocation; the ECI contract amount; and other contractor revenue including actual Medicaid collections for Medicaid Administrative Claiming, Targeted Case Management, and Specialized Skills Training. The report shall be submitted two separate times, within 30 calendar days of the following milestones being reached:
(1) Finalization (signing) of contracts; and	(1) Finalization (signing) of contracts; and
(2) Finalization of mid-year adjustments to the contracts.	(2) Finalization of mid-year adjustments to the contracts.
(c) In the event that notification is given of intent to terminate a contract, HHSC shall provide a report on the date notice was received, the date of when termination is effective, and any termination plans related to the notice. HHSC shall provide the report as soon as all reporting information is available.	(c) In the event that notification is given of intent to terminate a contract, HHSC shall provide a report on the date notice was received, the date of when termination is effective, and any termination plans related to the notice. HHSC shall provide the report as soon as all reporting information is available.
(d) Any other information requested by the Legislative Budget Board or the Governor's Office.	(d) Any other information requested by the Legislative Budget Board or the Governor's Office.

Senate	House
	53. Reporting on Population Served. Out of funds appropriated above in Strategy L.1.1, HHS System Supports, the Health and Human Services Commission shall report the following information for the prior fiscal year: (a) percentage of Texas Health Steps Early and Periodic, Screening, Diagnosis, and Treatment (EPSDT) clients who received at least one medical check-up; (b) percentage of children estimated to be eligible for the Children's Health Insurance Program (CHIP) who were enrolled in the program; (c) percentage of children under the age of three who received comprehensive intervention services through the Early Childhood Intervention (ECI) program; and (d) percentage of children living in poverty who received Temporary Assistance for Needy Families (TANF) or State Two-Parent Cash Assistance program benefits. HHSC shall submit the report by February 1 of each year. The report shall be submitted to the Governor, Legislative Budget Board, and permanent committees in the House of Representatives and the Senate with jurisdiction over health and human services.
68. Dental and Orthodontia Providers in the Texas Medicaid Program. It is the intent of the Legislature that the Health and Human Services Commission (HHSC) use funds appropriated above in Strategy K.1.1, Office of the Inspector General, to strengthen the capacity of the HHSC Office of Inspector General to detect, investigate, and prosecute abuse by dentists and orthodontists who participate in the Texas Medicaid program. Further, it is the intent of the Legislature that HHSC conduct more extensive reviews of medical necessity for orthodontia services in the Medicaid program.	

Senate	House
104. Prevent Eligibility Determination Fraud. It is the intent of the Legislature that the Health and Human Services Commission shall use technology to identify the risk for fraud associated with applications for benefits to prevent fraud. Within the parameters of state and federal law, the commission shall set appropriate verification and documentation requirements based on the application's risk to ensure agency resources are targeted to maximize fraud reduction and case accuracy.	
105. 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 increasing fraud, waste, and abuse prevention and detection and achieving other programmatic efficiencies. HHSC shall provide an annual report on the implementation of cost containment initiatives to the Legislative Budget Board by December 1.	
	106. Staffing in Lieu of Contracted Responsibilities. Notwithstanding the provisions in Article IX, §6.10, Limitation on State Employment Levels, if the executive commissioner of the Health and Human Services Commission (HHSC) determines that a service performed under a contract as of the effective date of this Act would be more effectively performed by state personnel, the executive commissioner may adjust the agency's full-time equivalent (FTE) limitation to the extent necessary to ensure the successful assumption of such contracted duties and to comply with federal performance standards. Authority granted by this provision is contingent upon a written notification from HHSC to the Legislative Budget Board and the Governor at least 30 days prior to adjusting budgeted FTE levels that includes the following information: (a) a detailed explanation of the adjustments to the affected contract and the reason(s) for the adjustment; (b) the estimated reduction in spending in All Funds on the contract by fiscal year;

Senate	House
	(c) the increase in both the annual average and end-of-year FTEs by fiscal year; and (d) the estimated increase in expenditures by object of expense and method of financing for each fiscal year.
107. Independent Living Services Review. (a) Out of funds appropriated above, the Health and Human Services Commission (HHSC) shall provide an annual report by December 31 of each year to the Legislative Budget Board, Office of the Governor, the Chair of the House Appropriations Committee, the Chair of the Senate Finance Committee, Lieutenant Governor, Speaker of the House of Representatives, and the Texas Workforce Commission on the use of funds appropriated above in Strategy F.2.1, Independent Living Services, by the Centers for Independent Living (CILs), including the number of consumers served, breakdown of services provided, performance targets, and any other information HHSC deems necessary to ensure accounting of the use of funds in Strategy F.2.1, Independent Living Services. (b) Out of funds appropriated above, HHSC shall conduct a study of the Independent Living Services (ILS) program, which shall: evaluate the ILS grants and outsource model; assess if the ILS model of service provision is meeting the needs of Texans with disabilities; consider alternate methods to reduce administrative costs; explore utilization of funds and progress of the CILs to obtain alternative or additional funding for operational expenses; maximize funds for the provision of services to consumers; increase collaboration with partners; ensure the provision of No Wrong Door and Wrap-around services; and evaluate whether the number of consumers served has increased due to outsourcing of the program. Additionally, the study will evaluate the roles and responsibilities of the Designated State Entity to identify strengths, weaknesses, risks and opportunities for improvement, and expand the provider base for the services to provide improved support, budgetary flexibility, and added benefits to the provider base. HHSC shall submit a report and findings to the Legislative Budget Board, Office of the Governor, the Chair of the House Appropriations Committee, the Chair of the Senate Finance Committee, Lieutenant Governor, and the Speaker of the House of Representatives by December 1, 2022.	**105. Independent Living Services Review.** (a) All funds provided for the provision of independent living services are to be distributed in accordance with the Rehabilitation Act of 1973 as amended, 2015, by the Designated State Entity, who is responsible for the accounting and distribution of these funds. (b) The Health and Human Services Commission shall provide an annual report by December 31 of each year to the Texas Workforce Commission on the services Centers for Independent Living are providing with the SSA-VR/IAC funds provided to Centers for Independent Living for the administration of the Independent Living Services Program, including number of consumers served, breakdown of services provided, performance targets, and any other information the agencies deem necessary to ensure accounting of the funding. (c) By January 1, 2023, the Health and Human Services Commission shall conduct an independent study of the Independent Living Services program to evaluate the ILS grants and outsource model, to assess if the ILS model of service provision is meeting the needs of Texans with disabilities, consider alternate methods to reduce administrative costs, explore utilization of funds and progress of Centers for Independent Living to obtain alternative or additional funding for operational expenses, maximize funds for the provision of services to consumers, increase collaboration with partners, ensure the provision of No Wrong Door and Wrap-around services, and whether numbers of consumers served increased as intended in the outsourcing of the program from the state. Additionally, the study will evaluate the roles and responsibilities of the Designated State Entity to identify strengths, weaknesses, risks and opportunities for improvement, expanding the provider base for the services to provide improved support, budgetary flexibility and added benefits to the provider base.

Senate	House
	108. Opioid Treatment Program Central Registry: Dosing Information. Out of funds appropriated, the Health and Human Services Commission (HHSC) shall evaluate the feasibility and costs associated with including patient dosage information in the opioid treatment program central registry. In this evaluation, HHSC shall consider best practices for maintaining confidentiality while making database content available where appropriate, to ensure continuity of care in circumstances in which a patient's usual Narcotic Treatment Program is unavailable. HHSC shall report findings and recommendations to the Governor, the Legislative Budget Board, and permanent committees in the House and Senate with jurisdiction over health and human services by September 1, 2022.
108. Unexpended Balances: Intellectual and Developmental Disabilities (IDD) Crisis Funding. Included in amounts appropriated above in Strategy F.1.3, Non-Medicaid IDD Community Services, is $14,000,000 in General Revenue in each fiscal year of the biennium for crisis intervention and respite services. Any unexpended and unobligated balances remaining as of August 31, 2022, are appropriated for the same purposes for the fiscal year beginning September 1, 2022.	
109. Cost Effective Treatment for Chronic Hepatitis C Virus. (a) Included in amounts appropriated above to the Health and Human Services Commission (HHSC) in Strategy A.1.6, Medicaid Prescription Drugs, is $10,000,000 in General Revenue Funds and $15,562,372 in Federal Funds in fiscal year 2022 and $10,000,000 in General Revenue Funds and $15,608,195 in Federal Funds in fiscal year 2023 to expand access to direct acting antiviral medications for Medicaid enrollees diagnosed with chronic Hepatitis C. Should the cost of providing direct acting antiviral medications to Medicaid enrollees diagnosed with chronic Hepatitis C exceed the amounts identified in this subsection, HHSC	

Senate

shall utilize transfer authority provided in Rider 84, Limitations on Transfer Authority, to transfer appropriations from elsewhere in Goal A, Medicaid Client Services, to Strategy A.1.6, Medicaid Prescription Drugs, for this purpose.

(b) Included in amounts appropriated above to HHSC in Strategy G.2.1, Mental Health State Hospitals, is $646,736 in General Revenue Funds in fiscal year 2022 and $646,736 in General Revenue Funds in fiscal year 2023 to expand access to direct acting antiviral medications for state hospital residents diagnosed with chronic Hepatitis C. Notwithstanding Rider 84, Limitations on Transfer Authority, should the cost of providing direct acting antiviral medications to state hospital residents diagnosed with chronic Hepatitis C exceed the amount identified in this subsection, HHSC may transfer up to $1,278,038 in General Revenue in fiscal year 2022 and $282,404 in General Revenue in fiscal year 2023 from elsewhere in the agency's budget to Strategy G.2.1, Mental Health State Hospitals, for this purpose. This authority is contingent upon HHSC providing notification to the Legislative Budget Board and Governor within 15 business days of making the transfer. The notification shall include the strategies from which the transfer was made and the amount transferred.

(c) Amounts identified in subsection (a) assume HHSC will pursue a rebate agreement, such as a subscription model described by the report completed by HHSC under the provisions of HHSC Rider 40, Hepatitis C Treatment Access, of House Bill 1, Eighty-sixth Legislature, Regular Session, 2019, with drug manufacturer(s) for direct acting antiviral medications provided to Medicaid enrollees diagnosed with chronic Hepatitis C that ensures the state receives the lowest net cost for these prescription drugs and maximizes the number of enrollees treated.

House

109. Rates: Intermediate Care Facilities and Certain Waiver Providers. Included in amounts appropriated above in Strategy A.2.7, Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID), and Strategy A.3.1. Home and Community-based Services (HCS), is funding to maintain rate increases authorized by House Bill 1, Eighty-Sixth Legislature, Health and Human Services Commission Rider 44, Rate Increases: Intermediate Care Facilities and Certain Waiver Providers, through the 2022-2023 biennium. It is the intent of the Legislature that:

(a) Rates for these programs not be realigned through the Biennial Rate Review process

Senate	House
	during the 2022-2023 biennium; and (b) HHSC, in collaboration with stakeholders, evaluate the rate setting methodology for these programs in order to develop reimbursement methodologies that more accurately reflect the costs of services and report back to the Eighty-eighth Legislature.
110. Individualized Skills and Socialization. (a) Notwithstanding the limitations in Rider 84, Limitations on Transfer Authority, subsection (a)(1)(B) regarding transfers between and into strategies in Goal A, Objective 3, Long-term Care - Non-entitlement, and Article II, Special Provisions § 12, Rate Limitations and Reporting Requirements, and contingent upon the Health and Human Services Commission (HHSC) transitioning the day habilitation benefit in the Home and Community-based Services (HCS), Deaf-Blind Multiple Disabilities (DBMD), and Texas Home Living (TxHmL) waiver programs to an individualized skills and socialization (ISS) benefit, HHSC may transfer appropriations from elsewhere in Goal A, Medicaid Client Services, to Strategy A.3.1, Home and Community-based Services, Strategy A.3.3, Deaf-Blind Multiple Disabilities, and Strategy A.3.4, Texas Home Living Waiver, to provide reimbursement for the provision of ISS services in the HCS, DBMD, and TxHmL waiver programs. (b) Authority provided in subsection (a) of this provision is contingent upon HHSC requiring ISS providers to submit community engagement plans.	
111. Reporting Requirement: COVID-19 Funding to Nursing Facilities and Hospitals. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC) shall develop a report detailing the total value of COVID-19-related Federal Funds, including Provider Relief Funds, provided directly to nursing facilities and hospitals contracting with HHSC since the beginning of the public health emergency. The report should include any temporary rate increases provided to nursing facilities related to the COVID-19 pandemic. HHSC shall submit the report to the Governor, Legislative Budget Board,	**107. Reporting Requirement: COVID-19 Funding to Nursing Facilities and Hospitals.** Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC) shall develop a report detailing the total value and uses of COVID-19-related Federal Funds, including Provider Relief Funds, provided directly to nursing facilities and hospitals contracting with HHSC since the beginning of the public health emergency. The report should include any temporary rate increases provided to nursing facilities related to the COVID-19 pandemic. HHSC shall submit the report to the Governor, Legislative Budget Board,

Senate	House
and any appropriate standing committee in the Legislature on December 1st and June 1st of each fiscal year. The format and content of the report shall be specified by the Legislative Budget Board and posted on the HHSC website.	and any appropriate standing committee in the Legislature on December 1st and June 1st of each fiscal year. The format and content of the report shall be specified by the Legislative Budget Board and posted on the HHSC website.
	112. Access to Federal Data Services Hub. To the extent allowable under state and federal law and regulations, the Health and Human Services Commission (HHSC) shall request a consumer report containing employment and income information through the Centers for Medicare and Medicaid Services Federal Data Services Hub for Medicaid eligibility determinations and redeterminations in order to achieve cost savings, improve timeliness, and minimize fraud.
112. Health and Human Services Cost Containment. The Health and Human Services Commission (HHSC) shall develop and implement cost containment initiatives to achieve savings of at least $350,000,000 in General Revenue Funds for the 2022-23 biennium throughout the health and human services system. These initiatives shall include increasing fraud, waste, and abuse prevention and detection; seeking to maximize federal flexibility under the Medicaid program in compliance with Government Code, Chapter 537; and achieving other programmatic and administrative efficiencies. HHSC shall provide an annual report on the implementation of cost containment initiatives to the Legislative Budget Board by December 1. It is the intent of the legislature that HHSC shall achieve savings without adjusting amount, scope, or duration of services or otherwise negatively impacting access to care. It is the intent of the legislature that prior to making any changes, HHSC shall consider stakeholder input, including complying with any statutory requirements related to rulemaking and public hearings. This rider shall not be construed as limiting HHSC's ability to maximize federal flexibility under the Medicaid program, including federal flexibility that may impact amount, scope, or duration of services.	
113. STAR+PLUS Pilot Program and Medically Fragile Benefit. Notwithstanding the limitations in Health and Human Services Commission (HHSC) Rider 84, Limitations on Transfer Authority,	

Senate

House

HHSC may transfer $2,594,005 in General Revenue in fiscal year 2022 and $2,447,335 in General Revenue in fiscal year 2023 out of Strategies in Goal A, Medicaid Client Services, for the purposes of completing activities necessary to implement the STAR+PLUS Pilot Program and Medically Fragile Benefit required by House Bill 4533, Eighty-sixth Legislature, 2019. General Revenue transferred for this purpose shall be allocated between strategies as follows:

(a) Strategy B.1.1, Medicaid Contracts and Administration, $2,564,276 in fiscal year 2022 and $1,472,803 in fiscal year 2023;

(b) Strategy H.1.1, Facility/Community-based Regulation, $400,946 in fiscal year 2023;

(c) Strategy I.3.2, TIERS Capital Budget Projects, $502,598 in fiscal year 2023; and

(d) Strategy L.1.1, HHS System Supports, $29,729 in fiscal year 2022 and 70,988 in fiscal year 2023.

Notwithstanding the limitations of Article IX, Section 6.10, Limitations on State Employment Levels, HHSC may increase the "Number of Full Time Equivalents (FTE)" identified in the agency's bill pattern by 2.0 in fiscal year 2022 and 14.0 in fiscal year 2023 for the purpose of carrying out activities necessary to implement the STAR+PLUS Pilot Program and Medically Fragile Benefit.

113. Study on Mental Health Continuum of Care for Children and Adolescents. The Health and Human Services Commission shall contract with a medical school or other qualified partner to complete a study on ways to improve the quality and efficiency of the continuum of care for children and adolescents in Texas with serious mental illness/serious emotional disturbance, and/or substance abuse disorder, including those with intellectual and developmental disabilities and/or Autism Spectrum Disorders. The study shall include services under the purview of the following areas within HHSC: Medicaid & CHIP Services, the Office of Mental Health Coordination, and Intellectual and Developmental Disability & Behavioral Health Services. The study shall include the Medicaid state option to provide services in Psychiatric Residential Treatment Facilities for children and adolescents (as defined in Section 483.354 of the Code of Federal Regulations, Title 42) as well as community-based care options such as youth

Senate

House

crisis/respite stabilization units and multisystemic therapy. The study shall include the following: comparison of various methods of covering residential treatment in Medicaid, options regarding licensing of Psychiatric Residential Treatment Facilities, potential focus populations for any treatment options, and fiscal impact analysis. The Commission shall submit the results of the study to the Legislature by December 1, 2022.

114. Nursing Home Workforce & Quality Task Force. Out of funds appropriated above, the Health and Human Services Commission (HHSC) shall study the workforce shortage in nursing homes and delivery of care in Texas nursing facilities. In conducting the study, HHSC shall:

(a) evaluate the current workforce shortage and direct care staffing;

(b) develop recommendations for legislation, policies, and short-term and long-term strategies for the retention and recruitment of direct care staff to ensure an adequate workforce is in place to provide high-quality, cost-effective health care including:

(1) workforce engagement and advancement models;

(2) job supports and incentives;

(3) training and educational initiatives;

(4) wages and benefits; and

(5) licensure and certification rules.

(c) examine and develop recommendations for nursing home reforms, including:

(1) implementing new care models;

(2) optimizing nursing home size and configurations to foster resident wellness and infection control;

Senate	House
	(3) increasing clinical presence in nursing homes; and (4) appropriate nursing home staffing to meet the needs of the resident population. Not later than November 1, 2022, HHSC shall submit the study to the Governor, Legislative Budget Board, Lieutenant Governor, and Speaker of the House of Representatives.
115. Expanding Access to Medicaid Behavioral Health Services through Program Improvements. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC) shall engage Medicaid managed care organizations (MCOs) in addressing the operational challenges experienced by child welfare providers of targeted case management and rehabilitation, including issues with contracting and credentialing, display in provider directories, and other administrative processes as needed. HHSC shall provide a report to the Legislative Budget Board and the Office of the Governor on efficiencies identified and actions taken, as well as the number of new child welfare providers enrolled and credentialed for participation in Medicaid programs by August 31, 2022.	**115. Community Care Quality Incentive Payment Program.** Out of funds appropriated above in all Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC) shall design a statewide voluntary Quality Incentive Payment Program (QIPP) for Medicaid Community Care providers modeled after the Texas Nursing Facility QIPP. HHSC shall, in collaboration with Community Care providers and other stakeholders, develop the program design, including selection of performance measures; develop a funding methodology, including proposed budget, method of finance, and payment structure for awarding incentive payments; and determine the required federal approvals needed for the proposed funding methodology. HHSC shall explore all opportunities to use non-state funding sources for the program. HHSC shall submit a report on program design, including goals and performance measures, and the funding methodology to the Senate Finance Committee, the House Committee on Appropriations, the Legislative Budget Board, the Governor, and permanent standing

Senate	House
	committees in the House of Representatives and the Senate with jurisdiction over health and human services by September 1, 2022.
116. Crisis lntervention and Respite Services. Out of eligible funds appropriated in Strategy F.1.3, Non-Medicaid IDD Community Services, the Health and Human Services Commission (HHSC) is authorized to identify and use any available state supported living center space for crisis respite services to individuals with an intellectual or developmental disability. These services may be provided by HHSC, the local intellectual and developmental disability authority, or other entity that operates a crisis respite program under contract with HHSC.	
117. Report on Continuity of Care for Women Aging Out of CHIP and Medicaid. Out of funds appropriated above in Strategy D.1.1, Women's Health Programs, the Health and Human Services Commission (HHSC) shall report on the number of individuals aging out of Medicaid and CHIP coverage who are able to maintain coverage under another Medicaid program, including Healthy Texas Women (HTW), through the agency's administrative renewal process. The report shall include the number of individuals determined ineligible through the administrative renewal process because documentation was not received. HHSC shall develop recommendations to improve connecting individuals aging out of Medicaid or CHIP to enrollment into HTW. HHSC shall submit the report not later than August 1, 2022 to the Governor, Legislative Budget Board, Lieutenant Governor, and Speaker of the House.	**138. Report on Continuity of Care for Women Aging Out of CHIP and Medicaid.** Out of funds appropriated above in Strategy D.1.1, Women's Health Services, the Health and Human Services Commission shall report by August 1, 2022 on the number of individuals aging out of Medicaid and CHIP coverage who are able to maintain coverage under another Medicaid program, including Healthy Texas Women (HTW), through the agency's administrative renewal process. The report will include the number of individuals determined ineligible through the administrative renewal process because documentation was not received. HHSC shall develop recommendations to improve connecting individuals aging out of Medicaid or CHIP to enrollment in Healthy Texas women. The report shall evaluate the feasibility of implementing an auto-enrollment process for individuals aging out of Medicaid and CHIP into HTW.
	117. STAR Health Psychiatric Rate Evaluation. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC) shall complete an evaluation of the rate methodology and payment rate for psychiatric services provided to children enrolled in STAR Health. The evaluation shall be conducted in coordination with a work group convened by HHSC comprised of stakeholders with knowledge of the foster care population and their behavioral health needs. The evaluation shall examine whether the rate

Senate

House

of reimbursement for psychiatric services under STAR Health:

(a) impacts access to psychiatric and other mental health services;

(b) impacts provider network requirements;

(c) contributes to psychiatrists leaving the program;

(d) contributes to the workforce shortages of psychiatrists within the program, considering rural and urban variations;

(e) results in higher occurrence of potentially preventable events; and

(f) other factors that are impede access to psychiatric and other mental health services.

Not later than September 1, 2022, HHSC shall report on the findings and recommendations to improve access to psychiatric and other mental health services provided by STAR Health and include any recommendations for changes to the rate methodology and payment rate. The report shall be submitted to the Governor, Lieutenant Governor, Speaker of the House, Chair of the Senate Finance Committee, Chair of the House Appropriations Committee, standing committees in the House of Representatives and the Senate with jurisdiction over health and human services, and the Legislative Budget Board.

118. CHIP Contracts and Administration: Maximize CHIP Administration Fund for Outreach and Enrollment. HHSC shall evaluate current total expenditures of CHIP administrative funds, provide information regarding any unexpended funds, and provide this information in a report to the Legislative Budget Board, the Office of the Governor, and the Legislature no later than December 1, 2021. HHSC shall also seek recommendations from health care providers, children's health care advocates, family members of children enrolled in the medical assistance program, and other stakeholders on three to five outreach and enrollment strategies that maximize CHIP administrative funds to make sure the state is reaching and enrolling hard-to-reach eligible children. HHSC will collect recommendations no later than September 30, 2021. Implementation plans for at least two outreach and enrollment strategies using above funds shall be included in the

Senate	House
	report due to the legislature on December 1, 2021. Implementation of the plans shall begin no later than August 31, 2022.

118. Work Group on Improving Texas Medicaid Provider Manual Related to Dental Services. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts & Administration, the Health and Human Services Commission shall establish a workgroup for the purpose of providing recommendations to improve the Texas Medicaid Provider Procedures Manual in a manner that prevents the incidence of fraud, waste, or abuse in the provision of Medicaid dental services. The work group shall consist of a representatives of the commission, representatives of the office of inspector general, stakeholders from managed care organizations that contract to provide Medicaid dental services, dental academia and providers of Medicaid dental services. Not later than December 31, 2022, the work group shall submit a report to the executive commissioner of Health and Human Services Commission with recommendations for improving the Texas Medicaid Provider Procedures Manual to prevent fraud, waste or abuse in dental services under Medicaid, including changes related to the use of dental procedure codes by providers.

119. Medicaid Program Efficiencies. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC) shall develop and implement initiatives to create program efficiencies in the Medicaid and Children's Health Insurance Program (CHIP) managed care and fee-for-service delivery models. Initiatives should minimize beneficiary and provider abrasion or reduce unnecessary administrative and operational costs at HHSC. At a minimum, these initiatives shall address:

(a) **Streamlining Medicaid Provider Enrollment.** HHSC shall develop and implement data sharing and other processes to reduce duplication in the Medicaid provider enrollment and managed care organization (MCO) credentialing processes. In addition, HHSC shall develop and implement a process to expedite Medicaid provider enrollment for providers offering services through single case agreements to recipients with third-party insurance coverage. HHSC shall use the provider's National Provider Identifier in the expedited enrollment process.

Senate **House**

(b) **Streamlining Managed Care Enrollment and Disenrollment.** HHSC shall develop and implement an automatic enrollment process under which applicants determined eligible for Medicaid are automatically enrolled in a Medicaid managed care plan. If an applicant does not choose a managed care plan during the application process, HHSC will automatically enroll the applicant in a managed care plan using a default enrollment process that complies with federal and state laws and regulations.

(c) **Reducing Paper Waste.** HHSC shall develop and implement strategies to promote the use of electronic provider directories and reduce paper waste in Medicaid and Children's Health Insurance Program (CHIP) managed care. To the extent authorized by state and federal laws, HHSC will only require managed care plans to print and distribute a paper directory when requested by a managed care recipient.

(d) **Modernize Use of Electronic Communication.** HHSC shall develop and implement strategies to modernize communication and improve access to care and through telemedicine, telehealth, tele-monitoring, text messaging, and other telecommunication and information technology. HHSC shall establish policies and procedures that:

(1) To the extent allowed by federal law, authorize Medicaid MCOs to leverage telemedicine and other technology to conduct assessment and service coordination activities for members receiving home and community-based services. HHSC shall publish guidelines allowing for the use of such technology during a pandemic or natural disaster, when requested by a member, when determined medically appropriate by an MCO, or in other circumstances identified by HHSC. The guidelines must also address when in-person activities are required.

(2) Authorize Medicaid and CHIP MCOs to communicate with enrolled members via text messages with member consent. HHSC shall develop standardized language to be used by MCOs to receive member consent.

119. Access to Long-acting Reversible Contraception.

Senate

House

(a) Out of funds appropriated in Strategy D.1.1, Women's Health Programs, the Health and Human Services Commission (HHSC) may implement program policies to increase access to long-acting reversible contraception (LARC).

(b) HHSC shall work with the Centers for Medicare and Medicaid Services (CMS) to determine if the HTW Section 1115 Demonstration Waiver may be amended to include administrative funding at the 90 percent federal matching rate to maintain an inventory of LARCs for providers who furnish covered medical assistance for eligible individuals (i.e., bulk purchasing);

120. Equity in Payments. In crafting and implementing fee-for service supplemental and managed care directed payment programs, the Health and Human Services Commission (HHSC) shall strive to maintain equity in impact between non-state government hospitals and non-government hospitals.

120. Step-down Housing Pilot for Individuals with Serious Mental Illness.

(a) Notwithstanding Health and Human Services Commission (HHSC) Rider 84, Limitations on Transfer Authority, and Article IX, Section 14.03, Transfers - Capital Budget, HHSC may allocate up to $12,700,000 for the 2022-23 biennium from available federal funds included in Rider 2, Capital Budget, to Strategy G.4.2, Facility Capital Repairs and Renovations, to make necessary upgrades and to secure one or more appropriate buildings on a state supported living center campus in preparation for a step-down transition program for long-term patients of the state mental health hospitals as recommended in the report required by HHSC Rider 110, State Supported Living Centers Planning, of House Bill l, Eighty-sixth Legislature, Regular Session, 2019.

(b) By August 31, 2022, HHSC shall develop an operational plan to establish a transition program that provides collaborative services from interdisciplinary teams from HHSC, in addition to community partners such as the local mental health authorities and local

Senate	House
intellectual and developmental disability authorities (when appropriate). The plan will establish admission criteria and services provided; and explore potential pilot expansion sites and funding streams.	
	121. Claims for Behavioral Health Services. Out of funds appropriated above in all Strategies in Goal A, Medicaid Client Services, the Health and Human Services Commission (HHSC) shall authorize providers to submit claims for dates of services through August 31, 2023 for reimbursement of the following behavioral health services delivered by telemedicine, telehealth, or telephone (audio only): Psychiatric Diagnostic Evaluation; Psychotherapy; Peer Specialist Services; Screening, Brief Intervention, and Referral to Treatment; Substance Use Disorder Services; Mental Health Rehabilitation; and Mental Health Targeted Case Management.
	122. Institutions of Mental Disease Exclusion Waiver. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC) shall prepare and submit an application to the Centers for Medicare and Medicaid Services (CMS) for approval of a Section 1115 Demonstration Waiver in order to receive federal financial participation for services furnished to Medicaid-eligible individuals during short-term stays for acute care in psychiatric hospitals or residential treatment settings that qualify as institutions of mental disease.
122. Additional Mental Health Community Hospital Beds for Urban Areas. In addition to amounts appropriated above in Strategy G.2.2, Mental Health Community Hospitals, an additional amount up to $15,000,000 in General Revenue or available federal funds identified by the Health and Human Services Commission is appropriated for additional state-purchased inpatient psychiatric beds in urban areas of the state.	**147. Additional Mental Health Community Hospital Beds for Urban and Rural Areas.** Included in Strategy G.2.2, Mental Health Community Hospitals, is $15,000,000 for additional state-purchased inpatient psychiatric beds in rural areas of the state and $15,000,000 for additional state-purchased inpatient psychiatric beds in urban areas of the state.

Senate	House
123. Additional Mental Health Community Hospital Beds for Rural Areas. In addition to amounts appropriated above in Strategy G.2.2, Mental Health Community Hospitals, an additional amount up to $15,000,000 in General Revenue or available federal funds identified by the Health and Human Services Commission is appropriated for additional state-purchased inpatient psychiatric beds in rural areas of the state.	
	123. Funding for Healthy Texas Women Program. In the event the Centers for Medicare and Medicaid Services (CMS) implements changes to the HTW Section 1115 Demonstration Waiver that result in the loss of federal matching funds appropriated above in Strategy D.1.1, Women's Health Programs, the Health and Human Services Commission (HHSC) shall seek approval to transfer funds from other sources prior to making any reductions to Healthy Texas Women service levels.
	124. CHIP Contracts and Administration Funds: CHIP Health Services Initiative (HSI). From funds appropriated above in Strategy B.1.2, CHIP Contracts and Administration, the Health and Human Services Commission (HHSC) shall work with health care providers, children's advocates, family members of children enrolled in the medical assistance program, and other stakeholders to gather recommendations for CHIP Health Services Initiatives (HSI) aimed at improving child health with a focus on initiatives with proven outcomes and return on investment. The agency will work with stakeholders listed above to explore initiatives targeting newborns to improve child outcomes, develop partnerships to facilitate better coordination with schools and child care centers serving low-income children, and develop initiatives in regions of the state with high rates of mixed status families. The agency will determine the amount of funds available for CHIP HSI based on the current budget and expected expenditures. Assuming funds are available under the 10 percent CHIP administrative funds cap, and the initiatives will not impact direct client services funding, HHSC shall develop and submit a plan for federal approval of at least two HSIs to improve child health no later than December 1, 2021. One HSI shall seek to improve outcomes for children by support strategies that provide voluntary short term home nursing visitation for

Senate **House**

newborn caregivers.

125. Informational Listing: Women's Health Funding. This rider is informational only and does not make any appropriations. Appropriations above in Strategy D.1.1, Women's Health Programs, include the following:

(a) Healthy Texas Women (HTW) Program: $37,339,148 in General Revenue Funds and $75,949,024 in Federal Funds ($113,288,172 in All Funds) in fiscal year 2022 and $38,090,332 in General Revenue Funds and $78,525,444 in Federal Funds ($116,615,776 in All Funds) in fiscal year 2023;

(b) Family Planning Program (FPP): $41,760,459 in General Revenue Funds and $1,880,728 in Federal Funds ($43,641,187 in All Funds) in fiscal year 2022 and $42,278,085 in General Revenue Funds and $1,880,728 in Federal Funds ($44,158,813 in All Funds) in fiscal year 2023;

(c) Breast and Cervical Cancer Services (BCCS): $2,583,599 in General Revenue Funds and $8,132,056 in Federal Funds ($10,895,655 in All Funds) in each fiscal year; and

(d) Administration: $4,537,948 in General Revenue Funds and $2,021,937 in Federal Funds ($6,559,885 in All Funds) in each fiscal year.

Nothing is this provision shall be construed to limit the Health and Human Service Commission's authority to transfer appropriations within Strategy D.1.1, Women's Health Programs.

126. Nursing Facility Payment Methodology. It is the intent of the Legislature that the Health and Human Services Commission (HHSC) not deploy a nursing facility payment model to replace the Resource Utilization Group methodology unless HHSC ensures that sufficient funds are available to ensure payments remain at or above the levels in place on August 31, 2021. This provision does not apply to those facilities that primarily serve children.

Senate	House
	127. Limitations on Usual and Customary Calculations for Pharmacy Reimbursement. It is the intent of the legislature that HHSC shall not require pharmacies to include the price paid by consumers through third-party discount plans or pharmacy discount membership programs when determining a pharmacy's Usual and Customary (UAC) price calculation for Medicaid reimbursement.
	128. Transforming Pediatric Care. Out of funds appropriated above, the Health and Human Services Commission shall evaluate interventions to improve the quality of care delivered to: (a) children with behavioral health conditions; (b) children with medically complex conditions; and (c) children transitioning from pediatric care to adult care. Not later than October 1, 2022, HHSC shall submit a report on the evaluation to the Governor, Legislative Budget Board, Lieutenant Governor, and Speaker of the House of Representatives.
	129. Relative Certified Nurse Aide (CNA) Program. Out of existing funds, the Health and Human Services Commission (HHSC) shall submit a report on the feasibility of establishing a relative certified nurse aide program in Medicaid. The feasibility analysis shall be based on the premise that only a recipient or legally authorized representative (LAR) of a recipient shall be allowed to choose whether to receive care under PDN program and/or CNA program. The agency shall obtain input from the STAR Kids Managed Care Advisory Committee established by the executive commissioner under Section 531.012 and any other relevant provider, consumer, and state agency in conducting this analysis. The report should consider the adequacy of existing agency and

Senate

House

individual caregiver training and licensure requirements as well as the amount, duration and scope, and reimbursement rates of a potential Relative CNA program. HHSC shall submit the report to the Governor, Chair of House Appropriations Committee, Chair of Senate Finance Committee, Speaker of the House, and Lieutenant Governor by September 1, 2022.

130. Review of Provider Payments. Out of funds appropriated above in Goal B, Medicaid and CHIP Contracts and Administration, the Health and Human Services Commission (HHSC) shall conduct an analysis of provider payments as they relate to Medicaid and Children's Health Insurance Program (CHIP) managed care organization (MCO) rates. HHSC shall be able to request any information needed from the MCOs to complete the analysis. In conducting the analysis, HHSC shall:

(a) out of all rates paid to non-physician providers by MCOs, review rates that make up the top 25 percent of spending;

(b) compare rates set by HHSC to the actual rate paid by MCOs to non-physician providers;

(c) compare appropriations made by the Legislature for specific rates to the actual rate paid by MCOs to non-physician providers; and

(d) for each rate paid by an MCO to a non-physician provider that varies from rates identified in subsections (b) or (c) by more than five percent, collect an explanation from the MCO regarding the reason for the variation.

HHSC shall submit a report of findings to the Governor, the Legislative Budget Board, the Lieutenant Governor, and the Speaker of the House of Representatives not later than September 1 each year.

131. Report on Periodic Income Checks: Children's Medicaid. From funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services

Senate	House
	Commission (HHSC) shall evaluate the number of children whose Medicaid health coverage is impacted by periodic income checks, including the number of children whose Medicaid is terminated due to a procedural reasons, and the number of children who are transferred to CHIP (the child health plan program under Health and Safety Code, Chapter 62). Starting January 1, 2022, data on the impact of periodic income checks shall be made available on the HHSC website on a quarterly basis. HHSC shall submit an annual report with recommendations to improve the percentage of children enrolled in Medicaid who maintain 12 months of uninterrupted health coverage, due September 1 of each year, starting September 1, 2022, to the Commissioner of HHSC, Governor, Legislative Budget Board, Speaker of the House, Lieutenant Governor, and members of the Senate Finance Committee and House Appropriations.
	132. Rate Setting to Improve Health Outcomes. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission shall explore rate setting strategies that support Medicaid managed care plans and their network providers in addressing barriers to good health such as lack of nutritious food and unstable housing. The strategies shall include: (a) how to classify certain health-related services and programs such as food access as covered benefits under the state's Medicaid plan; (b) exploring financing social supports that cannot be classified as Medicaid benefits through Section 1115 Demonstration waivers; (c) using value-based payments or incentives; (d) defining social investments as quality improvement activities and including these costs in the non-benefit portion of Texas' Medicaid managed care rates; and (e) proposing higher profit and risk margins and/or lower medical loss ratios to plans that demonstrate the positive impact of social investments on medical costs. HHSC shall include Medicaid managed care plans, their network providers, and other relevant stakeholders in the process of developing these strategies and provide a report on their

Senate

House

recommendations to the Governor, the Legislative Budget Board, the Lieutenant Governor, and the Speaker of the House of Representatives not later than May 1, 2022.

133. Study on Step-Down Housing. Out of funds appropriated above, the Health and Human Services Commission shall study the efficacy and efficiency of the step-down services in diverting individuals from the state mental health hospital inpatient system into the community. The study shall identify:

(a) Barriers in transitioning individuals out of the state mental health hospital inpatient system;

(b) Best practices in providing step-down housing to individuals with complex psychiatric needs;

(c) Potential funding sources to continue and expand services; and

(d) Strategies to establish step-down housing programs in rural or remote counties.

HHSC shall submit study findings to the Senate Committee on Finance, the House Committee on Appropriations, the Legislative Budget Board, the Governor, the Lieutenant Governor, the Speaker of the House, and permanent standing committees in the House of Representatives and the Senate with jurisdiction over health and human services by September 1, 2022.

134. Study of Assisted Living Facility Resident Quality of Care and Resident Satisfaction. Out of funds appropriated above in Strategy H.1.1, Facility/Community-based Regulation, the Health and Human Services Commission (HHSC) shall conduct a study of assisted living facility (ALF) residents' quality of care and quality of life. In conducting the study, HHSC shall review at least 30.0 percent of ALFs in the state, and include facilities of various licensed capacities and license types. HHSC shall conduct onsite case reviews of the care of ALF residents and interviews with residents, facility staff, and long-term care ombudsmen.

Senate

House

HHSC shall prepare a report that includes an evaluation of facility policies, including policies that relate to residents' rights, and facility disclosure statements. The report will also evaluate preventable occurrences and any adverse outcomes related to issues including medication errors, inappropriate use of antipsychotic medication, falls, inappropriate placement in a locked unit, and healthcare-acquired infections. HHSC shall submit the report to the Governor, the Legislative Budget Board, the Lieutenant Governor, and the Speaker of the House of Representatives not later than December 1, 2022.

135. Medicaid Access to Care and Network Adequacy Study for Durable Medical Equipment Supplies and Services. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC), in consultation and collaboration with the STAR Kids Advisory Committee and the State Medicaid Managed Care Advisory Committee, shall conduct a study of barriers to timely access to durable medical equipment (DME) supplies and services, including access to providers, sub-specialty providers, providers of pediatric specialty care, providers of complex rehabilitation technology, communications technology, and other sub-specialty providers of DME supplies and services within the STAR, STAR Kids, STAR Health, and STAR+PLUS Programs. In conducting the study, HHSC shall consider:

(a) experiences of other states in addressing network adequacy and appropriate access to medically necessary care for individuals with complex medical needs, including travel time and distance standards set by current state and federal guidelines;

(b) factors affecting access to care, including geographic location and proximity to patients; local offices, clinical support staff, and other local resources; ability to provide clinical services on an emergency basis with a maximum of two hours response time; capability of providers to provide a broad spectrum of appropriate specialty services, supplies and equipment for medically complex patients; minimizing burden on caregivers and patients; and eliminating fragmentation of providers of subspecialty services, equipment, and supplies; provider networks must ensure recipients have a choice of at least three providers capable of providing the same specialty services within the geographic region.

HHSC shall submit a report with the results of the study to the Governor, Legislative Budget

Senate

House

Board, Lieutenant Governor, and Speaker of the House of Representatives not later than September 1, 2022. The report shall identify issues and barriers in Texas Medicaid that delay or deny access to DME supplies and services. The report shall also include recommendations to improve timely access to DME supplies and services.

136. Child Care Accessibility and Affordability Study. Out of funds appropriated above in Strategy L.1.1, HHS System Supports, the Health and Human Services Commission (HHSC) shall develop a report regarding child care accessibility and affordability.

(a) While developing the report, HHSC shall consult the following individuals:

(1) Two child development professionals who are licensed to practice in this state, one of whom must specialize in early childhood education;

(2) One representative of a state employee organization described in Government Code Sec. 403.0165;

(3) One representative of an organization representing the interested of licensed child-care facilities;

(4) One social worker licensed to practice in this state;

(5) One community advocate for child care workers;

(6) One representative of the business community in this state;

(7) One representative of or director of a private child care facility;

(8) One home-based child care provider;

(9) One state employee who is a parent of not less than one school-aged child; and

(10) One representative from the Texas Workforce Commission.

Senate

House

(b) In consultation with the individuals identified in subsection (a), and subject to the availability of funds, HHSC shall:

(1) conduct a cost-benefit analysis of the accessibility and affordability of child care in this state;

(2) develop recommendations to incentivize employer-supported child care;

(3) create a cost-estimate model to project the cost of providing safe, accessible, and affordable child care to anyone in the state who needs to use child care;

(4) identify regions of the state in which child care is less accessible than in the state at large, and recommendations for improving the availability of child care in those regions, including:

(A) proposing policies that will address racial, ethnic, and any geographic disparity and proportionality in the delivery of child care services; and

(B) identifying opportunities to streamline the child care licensing requirements and to facilitate development and construction of additional child care facilities.

(5) conduct a survey of state employees to better understand the barriers to accessing and affording child care.

While collecting the information identified in subsections (b)(1) through (b)(5), HHSC may work with other state agencies that collect similar information.

(c) Not later than December 31, 2022, HHSC shall submit a report to the Governor, Lieutenant Governor, Speaker of the House, and members of the legislature. The report shall include:

(1) a summary of the accessibility and affordability of child care to state employees, as determined by the survey in subsection (b)(5); and

Senate

House

(2) a plan to provide accessible and affordable child care to all families in this state by the year 2030.

137. CHIP Allotment Review. HHSC shall evaluate current total expenditures of CHIP funds, provide information regarding any unexpended or carry over funds, and provide this information in a report to the Legislative Budget Board, the Office of the Governor, and the Legislature no later than December 1, 2021. The report shall include the number of clients served in the program, any change in the number clients served, any funding shortfalls in client services and method-of-finance used to fund client services.

139. Medicaid Dialysis Cost Effectiveness Study.

(a) Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts & Administration, the Health and Human Services Commission (HHSC), in consultation with stakeholders, shall conduct a study regarding the most cost effective and clinically appropriate methods to deliver dialysis services under the Medicaid program.

(b) In conducting the study, HHSC must consider:

(1) the Medicare End-Stage Renal Disease (ESRD) Treatment Choices (ETC) model and whether savings could be achieved through increased utilization of home dialysis;

(2) value-based purchasing models for dialysis services;

(3) innovative models of delivering services to persons with renal disease, including those that may have been developed under the Delivery System Reform Incentive Program (DSRIP) to serve Medicaid recipients and the uninsured;

(4) alternatives to providing dialysis to persons under emergency Medicaid to

Senate

House

improve cost effectiveness and quality and reduce hospitalizations; and

(5) the manner in which other states have been able to modify implementation of their Medicaid program to increase options in providing dialysis.

(c) HHSC shall submit a report with the results of the study to the Legislative Budget Board and Governor not later than December 1, 2022.

(d) If the study determines that it is cost effective to make changes to coverage and sites of service for dialysis, HHSC may pursue any necessary federal waivers or amendments to implement the report's findings.

140. Feasibility of Postpartum Medicaid Expansion. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC) shall evaluate the feasibility and cost effectiveness of extending Medicaid coverage for women up to 12 months postpartum through a state plan amendment as authorized by the federal American Rescue Plan Act of 2021. HHSC shall submit a report of findings to the Governor, Legislative Budget Board, Lieutenant Governor, and Speaker of the House of Representative not later than August 1, 2022. If feasible and cost effective, HHSC may work with the Centers for Medicare and Medicaid Services to identify opportunities to support extension of postpartum Medicaid coverage.

141. Study Private Insurance Coverage of Early Childhood Intervention Services. Out of funds appropriated above in Strategy D.1.4, ECI Respite and Quality Assurance, the Health and Human Services Commission shall study the feasibility of requiring private insurers to reimburse participants for early intervention services. HHSC should work with the Early Childhood Intervention (ECI) Advisory Committee, early intervention service providers, advocacy groups, the Texas Department of Insurance, and representatives of private insurance companies to conduct the study. HHSC should present its findings and recommendations to the Legislative Budget Board, the Lieutenant Governor, the Speaker of the House of Representatives, the standing

Senate

House

legislative committees with primary jurisdiction over ECI, and the ECI Advisory Committee no later than September 1, 2022.

142. Reporting Requirement: Medicaid Coverage throughout Inter-conception. Out of funds appropriated above, the Health and Human Services Commission shall evaluate the health outcomes and cost-efficiency of providing Medicaid coverage to women throughout inter-conception. HHSC shall submit a report of findings to the Governor, Legislative Budget Board, the Lieutenant Governor, and the Speaker of the House of Representatives not later than May 1, 2022.

143. Study Related to 9-8-8 Implementation. Out of funds appropriated above in Strategy L.1.1, HHS System Supports, the Health and Human Services Commission (HHSC) shall study the adequacy and efficacy of existing National Suicide Prevention Lifeline (NSPL) infrastructure in Texas to determine state preparedness to comply with federal National Suicide Hotline Designation Act of 2020 (S. 2661). The study shall identify the adequacy of existing NSPL infrastructure, strategies to improve linkages between NSPL infrastructure and crisis response services, and strategies to improve access to mental health crisis and suicide response. The study shall also make recommendations for sources of sustainable funding for NSPL infrastructure and crisis response services. HHSC shall prepare and submit findings and recommendations to the Senate Committee on Finance, the House Committee on Appropriations, the Legislative Budget Board, the Governor, the Lieutenant Governor, the Speaker of the House, and permanent standing committees in the House of Representatives and the Senate with jurisdiction over health and human services by September 1, 2022.

144. Rare Disease Therapy Readiness Study. Out of funds appropriated above, the Agency shall study its readiness and ability to provide innovative therapies for rare disease diagnoses to the full extent allowable for eligible beneficiaries in programs offering medical or pharmaceutical

Senate **House**

benefits, including through the use of alternative payment models. After completing the study, the agency shall report its findings to the legislature, including any identified barriers to the provision of these therapies, no later than November 30, 2022.

145. Medicaid Managed Care Denial and Appeals Process. Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC), in consultation and collaboration with the STAR Kids Advisory Committee and the State Medicaid Managed Care Advisory Committee, shall conduct a study of the denial and appeals process, including but not limited to, the administrative hearing process within the managed care networks for the STAR Kids, STAR Health, and STAR+PLUS Programs. In conducting the study, HHSC shall consider:

(a) outcomes for patients;

(b) the percentage of denials that are upheld or overturned on appeal over the last seven years;

(c) the current appeals process's impact on access to care and continuity of care for patients;

(d) best practices, experiences and outcomes in other states;

(e) qualifications of hearing officers;

(f) timeliness of the review process;

(g) the denial notification process for families, including whether the family is able to timely request an appeal;

(h) the knowledge of families, caregivers and recipients of their right to request continuation of service, pending appeal; and

(i) the burden of the appeals process on caregivers and patients and families.

Senate

House

HHSC shall submit a report of the study's findings to the Governor, Legislative Budget Board, Lieutenant Governor, and the Speaker of the House of Representatives not later than December 11, 2022. The report shall also include steps the agency has taken to implement Government Code § 531.024164, and a detailed timeline and plan for implementing the provisions of the statue by March 1, 2022.

146. Home Health Personal Assistance COVID-19 Impact Study. The Health and Human Services Commission shall conduct a study to assess the impact of COVID-19 on the continuity of home health personal assistance services and the availability of such services for individuals in a residence or independent living environment in need of these services. This study shall assess the impact of COVID-19 on the number of available personal assistance service providers, and any resulting or existing shortage of such providers; assess the impact of COVID-19 on the turnover rate for personal assistance service providers; and identify and assess whether COVID-19 disproportionately affected the shortages or turnover rate of personal assistance service providers in any geographic region(s) in this state. Not later than September 1, 2022, the Health and Human Services Commission shall prepare and submit to the Governor, the Lieutenant Governor, the Speaker of the House of Representatives, and each standing committee of the Senate and House of Representatives having jurisdiction over public health, a written report on the results of the study and any recommendations for legislative or other action.

148. Multi-Assistance Center Demonstration Project.

(a) The Health and Human Services Commission shall, out of funds appropriated pursuant to Article IX, Section 13.01, Federal Funds/Block Grants, support a demonstration project providing comprehensive medical, therapeutic, and non-medical services to adults and children with special needs. The funds shall assist a demonstration project utilizing a one-stop shop model, providing on-site services to adults and children with special needs in the Bexar county and the south Texas region. The model shall employ staff to serve as single point of contact to coordinate and support client needs with community partners. Funds allocated to

Senate

House

this initiative pursuant to this provision shall not exceed $7,500,000 for the 2022-23 biennium.

(b) HHSC shall report to the Legislative Budget Board and Governor by August 31, 2023 detailing a review of the demonstration project and outlining best practices to implement the model elsewhere in the state. Notwithstanding the limitations in Rider 84, Limitations on Transfer Authority, HHSC may transfer funds among strategies in its bill pattern to efficiently implement these provisions upon prior notification to the Legislative Budget Board. HHSC shall identify and pursue opportunities to use any available Federal or other non-General Revenue source of funds to implement this project.

149. Study on Veteran Suicides.

(a) Out of funds appropriated above to the Health and Human Services Commission for Strategy L.1.1, HHS System Supports, the Health and Human Services Commission, in collaboration with the Texas Veterans Commission, the Department of State Health Services, the Texas Coordinating Council for Veterans Services, the Statewide Behavioral Health Coordinating Council, local mental health authorities, and the United States Department of Veterans Affairs, shall conduct a study on veteran suicides in this state.

(b) The study conducted under this rider must:

(1) use data available from the United States Department of Veterans Affairs and other governmental entities to collect information from the preceding five years regarding:

(A) the veteran status of a deceased individual;

(B) the cause of death of a veteran;

(C) whether a deceased veteran received services from a local mental health authority or a state or federal agency that provides mental health services or support to veterans;

Senate

House

(D) a deceased veteran's demographic data, including the veteran 's race, gender, and age; and

(E) any other known information that may correlate with an increased risk of suicide; and

(2) evaluate current methods of collecting, storing, and reporting veteran suicide data and recommend improvements to current systems.

(c) Not later than September 1, 2022, the Health and Human Services Commission shall submit to the legislature a report that summarizes the findings of the study conducted under this rider, and includes:

(1) the number of veteran suicides that were identified by the commission during the preceding five years;

(2) the number of veterans described by Subdivision (1) who received services from local mental health authorities or state or federal agencies that provide mental health services or support to veterans;

(3) information regarding whether the rate of veteran suicides in this state is decreasing or increasing; and

(4) demographic information and other known information that may be correlated with increased risk of suicide, as available.

150. 1115 Transformation Waiver. It is the intent of the Legislature that the commission seek a renewal or extension of the 1115 Transformation Waiver from the Centers for Medicare & Medicaid Services (CMS).

Senate

House

151. Study on Home and Community-based Services (HCS) Waiver Program.

(a) Using funds appropriated above, the Health and Human Services Commission shall conduct a study on the provision of services under the Home and Community-based Services (HCS) waiver program to individuals with an intellectual or developmental disability who have high behavioral and medical needs. In conducting the study, the commission shall:

(1) define the scope of high behavioral and medical needs for which an individual with an intellectual or developmental disability may require enhanced services and service coordination under the waiver program;

(2) identify the number of individuals with an intellectual or developmental disability who are enrolled in the program and who have high behavioral and medical needs; and

(3) assess the fiscal impact that may result, at various scaled thresholds as determined by the commission, as a result of providing enhanced services and service coordination under the waiver program to individuals with an intellectual or developmental disability who have high behavioral and medical needs.

(b) Not later than September 1, 2022, the Health and Human Services Commission shall prepare and submit to the legislature a written report that includes the results of the study conducted under Subsection (a) of this section.

152. Utilization of Federal Relief Dollars for Medicaid Home and Community Based Services Programs. It is the intent of the Legislature that any Federal Funds provided to the Health and Human Services Commission (HHSC) for the provision of home and community-based services (HCBS) in the Families First Coronavirus Relief Act (FFCRA), Coronavirus Aid, Relief, and Economic Security (CARES) Act, the American Rescue Plan Act of 2021, or any other federal COVID-19 relief bill be subject to the following conditions:

(a) HHSC shall only expend such funds on Medicaid initiatives that:

(1) directly increase access to care, including direct service provisions, rate increases for

Senate

House

all providers of direct services, supplies, and equipment;

(2) increasing waiver and emergency diversion slots and decreasing interest lists;

(3) funding of new and existing state laws governing the operation or implementation of the Medicaid program;

(4) exploring opportunities to draw additional federal funding provided by the Advancing Care for Exceptional (ACE) Kids Act; and

(5) achieving full compliance with federal law and regulations governing HCBS, including federal HCBS settings rules.

(b) HHSC shall ensure funds identified for provider rate increases are directly reimbursed to providers of direct services, supplies, and equipment;

(c) HHSC shall ensure that managed care organizations reimburse the full amount of funds referenced under subsection (a)(1) to providers of direct services, supplies, and equipment;

(d) HHSC shall not use or expend funds directly or indirectly for payroll of any kind, contract administration, or administrative services provided by managed care organizations. Funds identified for provider rate increases may not be used directly or indirectly for administrative services, payroll, bonuses, or costs unallowable under state or federal law or regulation or the Uniform Managed Care Contract; and

(e) HHSC shall only use these funds for the purposes set out in this provision to supplement, not supplant, state dollars appropriated for the operation of the Medicaid program.

153. Medicaid Provider Rate Increases. It is the intent of the Legislature that when Medicaid provider rates are increased as a result of a legislative appropriation, change in the Federal Medical Assistance Percentage, or other action, the Health and Human Services Commission shall ensure managed care organizations (MCO) reimburse the full amount of funds that equate to the

Senate	House
	difference between the state Medicaid fee-for-service rate and the percentage increase associated with the causal event, regardless of the pre-existing rate in place between the provider and the MCO.
	154. Postpartum Depression Screening and Treatment Report. The Health and Human Services Commission (HHSC), in coordination with the Department of State Health Services, shall submit a report on prevalence, screening, and treatment of postpartum depression. The report shall include recommendations to increase utilization of the screening and treatment within women's health programs, to increase the treatment of postpartum depression provided by the local mental health authorities, and to increase continuity of care. The report shall also identify any factors related to health disparities or issues related to disproportionality. HHSC shall work with women's health providers and stakeholders to identify recommendations to improve access to care and treatment. Not later than October 1, 2022, HHSC shall submit the report to the Legislative Budget Board, the Office of the Governor, and the Legislature.
	155. Communications on Electronic Visit Verification (EVV) Issues to Home and Community Care Providers. From the funds appropriated above, the Health and Human Services Commission (HHSC) shall report to home and community care providers the total hours providers were not reimbursed due to the EVV system being unavailable, malfunctioning, or not accessible for home and community support providers to timely submit hours for payment. HHSC shall make this report by the 10th day of each month for the prior month.

SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES

Differences Only

Senate

Sec. 6. Limitations on Transfer Authority. Notwithstanding the limitations of Article IX, §14.01, Appropriation Transfers, of this Act, the Executive Commissioner of the Health and Human Services Commission is authorized to make transfers of funding and full-time equivalents (FTEs) between all health and human services agencies listed in Article II of this Act, subject to the following requirements. Transfers that exceed $1,000,000 in General Revenue or FTE adjustments of more than 10.0 FTEs are subject to the prior written approval of the Legislative Budget Board and the Governor. Transfers below these thresholds require written notification to the Legislative Budget Board and Governor within 30 days of the transfer. The total of all transfers from a strategy may not exceed $1,000,000 without the prior written approval of the Legislative Budget Board and the Governor.

To request a transfer, the Executive Commissioner of 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:

a. a detailed explanation of the purpose(s) of the transfer, including the following:

   (1) a description of each initiative with funding and FTE information by fiscal year; and

   (2) an indication of whether the expenditure will be one-time or ongoing;

b. the names of the originating and receiving agencies and/or strategies and the method of financing and FTEs for each strategy by fiscal year;

c. an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving agencies and/or strategies; and

d. the capital budget impact.

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.

In the case of disaster or other emergency, this provision is superseded by the emergency-related transfer authority in Article IX of this Act.

House

Sec. 6. Limitations on Transfer Authority. Notwithstanding the limitations of Article IX, §14.01, Appropriation Transfers, of this Act, the Executive Commissioner of the Health and Human Services Commission is authorized to make transfers of funding and full-time equivalents (FTEs) between the Department of State Health Services and the Health and Human Services Commission (HHSC), subject to the following requirements. Transfers that exceed $1,000,000 in General Revenue or FTE adjustments of more than 10.0 FTEs are subject to the prior written approval of the Legislative Budget Board and the Governor. Transfers below these thresholds require written notification to the Legislative Budget Board and Governor within 30 days of the transfer. The total of all transfers from a strategy may not exceed $1,000,000 without the prior written approval of the Legislative Budget Board and the Governor.

To request a transfer, the Executive Commissioner of 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:

a. a detailed explanation of the purpose(s) of the transfer, including the following:

   (1) a description of each initiative with funding and FTE information by fiscal year; and

   (2) an indication of whether the expenditure will be one-time or ongoing;

b. the names of the originating and receiving agencies and/or strategies and the method of financing and FTEs for each strategy by fiscal year;

c. an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving agencies and/or strategies; and

d. the capital budget impact.

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.

In the case of disaster or other emergency, this provision is superseded by the emergency-related transfer authority in Article IX of this Act.

Senate	House
Sec. 9. System Support Services.	**Sec. 9. System Support Services.**
(a) **Appropriations for System Support Services.** Included in amounts appropriated in Article II of this Act are the following amounts for Article II system support services assessments:	(a) **Appropriations for System Support Services**. Included in amounts appropriated in Article II of this Act are the following amounts for Article II system support services assessments:
(1) $107,950,616 in All Funds in fiscal year 2022 and $107,858,816 in All Funds in fiscal year 2023 at the Department of Family and Protective Services (DFPS);	(1) $109,669,826 in All Funds in fiscal year 2022 and $109,587,885 in All Funds in fiscal year 2023 at the Department of Family and Protective Services (DFPS);
(2) $41,764,596 in All Funds in fiscal year 2022 and $41,330,750 in All Funds in fiscal year 2023 at the Department of State Health Services (DSHS); and	(2) $40,974,055 in All Funds in fiscal year 2022 and $40,542,951 in All Funds in fiscal year 2023 at the Department of State Health Services (DSHS); and
(3) $382,781,184 in All Funds in fiscal year 2022 and $380,325,101 in All Funds in fiscal year 2023 at the Health and Human Services Commission (HHSC).	(3) $379,035,702 in All Funds in fiscal year 2022 and $377,439,404 in All Funds in fiscal year 2023 at the Health and Human Services Commission (HHSC).
Amounts in this subsection do not include benefits, which are appropriated elsewhere in this Act.	Amounts in this subsection do not include benefits, which are appropriated elsewhere in this Act.
(b) None of the funds appropriated to an agency listed in Article II of this Act shall be expended for system support services unless the following requirements are met:	(b) None of the funds appropriated to an agency listed in Article II of this Act shall be expended for system support services unless the following requirements are met:
(1) **Reporting Requirements**. HHSC shall submit the following information at the agency and system level to the Legislative Budget Board and the Governor:	(1) **Reporting Requirements**. HHSC shall submit the following information at the agency and system level to the Legislative Budget Board and the Governor:
(A) **Annual Assessments.** By September 1 of each year	(A) Annual Assessments. By September 1 of each year:
(i) amounts assessed for system support services, by service category and fund type, for the new fiscal year; and	(i) amounts assessed for system support services, by service category and fund type, for the new fiscal year; and
(ii) signed copies of any agreements between the agencies regarding system support services for the new fiscal year.	(ii) copies of any agreements between the agencies regarding system support services for the new fiscal year.
(B) **Annual Expenditures.** By October 1 of each year	(B) Annual Expenditures. By October 1 of each year:

Senate

(i) actual expenditures for system support services, by service category and fund type, for the three prior fiscal years; and

(ii) the amount each agency's actual expenditures for system support services have changed since submission of the prior year's report.

DFPS and DSHS shall provide all necessary information to HHSC to complete the reports required by this subsection.

(2) **Notification of Anticipated Increases.** HHSC shall notify the Legislative Budget Board and the Governor if total expenditures for system support services are expected to exceed the amounts reported in subsection (a) by more than $1,000,000 in combined General Revenue and General Revenue-Dedicated during the fiscal year or if HHSC implements any new projects or services not presented to the Legislature that will result in an increase in the amounts assessed to DFPS or DSHS. The notification shall include:

(A) the reason(s) for the increase;

(B) the estimated allocation of the increased cost between agencies by method-of-financing; and

(C) how each agency will fulfill their estimated contribution.

(c) **Transfer of Appropriations for System Support Services.** Notwithstanding the limitations of Special Provisions Relating to All Health and Human Services Agencies, §6, Limitations on Transfer Authority, and Article IX, §14.01, Appropriation Transfers, HHSC may transfer funds appropriated to the agency for system support services to DFPS and DSHS. Transferred appropriations shall only be expended by the receiving agency for system support services. This authority only applies if the appropriations to be transferred are appropriated in HHSC Goal L, System Oversight and Program Support, and the transfer will not create or increase a supplemental need. This authority is contingent upon HHSC submitting prior written notification to the Legislative Budget Board and Governor. The notification shall include:

(1) the reason for the transfer;

House

(i) expenditures for system support services, by service category and fund type, for the three prior fiscal years; and

(ii) amount each agency's actual expenditures for system support services have changed since submission of the prior year's report.

DFPS and DSHS shall provide all necessary information to HHSC to complete the reports required by this subsection.

(2) **Notification of Anticipated Increases**. HHSC shall notify the Legislative Budget Board and the Governor if total expenditures for system support services are expected to exceed the amounts reported in subsection (a) by more than $1,000,000 in combined General Revenue and General Revenue-Dedicated during the fiscal year or if HHSC implements any new projects or services not presented to the Legislature that will result in an increase in the amounts assessed to DFPS or DSHS. The notification shall include:

(A) the reason(s) for the increase;

(B) the estimated allocation of the increased cost between agencies by method-of-financing; and

(C) how each agency will fulfill their estimated contribution.

(c) **Transfer of Appropriations for System Support Services**. Notwithstanding the limitations of Special Provisions Relating to All Health and Human Services Agencies, §6, Limitations on Transfer Authority, and Article IX, §14.01, Appropriation Transfers, HHSC may transfer funds appropriated to the agency for system support services to DFPS and DSHS. Transferred appropriations shall only be expended by the receiving agency for system support services.

(1) **Transfers Requiring Notification**. If the appropriations to be transferred are appropriated in HHSC Goal L, System Oversight and Program Support, and the transfer will not create or increase a supplemental need, this authority is contingent upon HHSC submitting prior written notification to the Legislative Budget Board and Governor. The notification shall include:

Senate

(2) amounts to be transferred by agency, strategy, method-of-financing, and fiscal year; and

(3) the capital budget impact.

(d) **Limitations on Expenditures.** Amounts identified in subsection (a) and any amounts transferred pursuant to subsection (c) of this rider shall not be expended for a purpose other than system support services without prior written approval from the Legislative Budget Board and the Governor. To request approval, the agency shall submit a written request to the Legislative Budget Board and the Governor that includes the following information:

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

(2) the amount by strategy and method-of-financing;

(3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act; and

(4) the capital budget impact.

The request shall be considered disapproved unless the Legislative Budget Board and the Governor issue written approval within 30 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request to expend 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. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days.

(e) **Requests and Notifications.** Any requests or notifications submitted by an agency listed in Article II of this Act, pursuant to any rider or other provision of this Act, shall include the anticipated impact the request or notification will have on system support service assessments by agency and method-of-financing.

The Comptroller of Public Accounts shall not allow the expenditure of funds for system support

House

(A) the reason for the transfer;

(B) amounts to be transferred by agency, strategy, method-of-financing, and fiscal year; and

(C) the capital budget impact.

(2) **Transfers Requiring Approval.** All transfers not subject to subsection (c)(1) require prior written approval from the Legislative Budget Board and the Governor. To request approval, the agency shall submit a written request to the Legislative Budget Board and the Governor that includes the following information:

(A) the reason for the transfer;

(B) amounts to be transferred by agency, strategy, method-of-financing, and fiscal year;

(C) the estimated impact to the agency's supplemental need, by method-of-financing;

(D) an estimate of performance levels and, where relevant, a comparison to targets included in this Act; and

(E) the capital budget impact.

The request shall be considered disapproved unless the Legislative Budget Board and the Governor issue written approval within 30 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request to transfer 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. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days.

(d) **Limitations on Expenditures.** Amounts identified in subsection (a) and any amounts transferred pursuant to subsection (c) of this rider shall not be expended for a purpose other than system support services without prior written approval from the Legislative Budget Board and the Governor. To request approval, the agency shall submit a written request to the Legislative

Senate

services, including assessments if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

Sec. 11. Appropriation of Receipts: Damages and Penalties. Included in amounts appropriated by this Act are the following:

House

Budget Board and the Governor that includes the following information:

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

(2) the amount by strategy and method-of-financing;

(3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act; and

(4) the capital budget impact.

The request shall be considered disapproved unless the Legislative Budget Board and the Governor issue written approval within 30 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request to expend 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. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days.

(e) **Requests and Notifications.** Any requests or notifications submitted by an agency listed in Article II of this Act, pursuant to any rider or other provision of this Act, shall include the anticipated impact the request or notification will have on system support service assessments by agency and method-of-financing.

The Comptroller of Public Accounts shall not allow the expenditure of funds for system support services, including assessments if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

Sec. 11. Appropriation of Receipts: Damages and Penalties. Included in amounts appropriated by this Act are the following:

Senate

(a) $585,363 in Other Funds (Appropriated Receipts) in each fiscal year in Health and Human Services Commission (HHSC) Strategy H.1.2, Long-term Care Quality Outreach, collected pursuant to Human Resources Code §32.021. Any amount collected above this amount is to be applied to the protection of health and property of residents in nursing facilities in accordance with 42 U.S. Code §1396r(h)(2)(a)(ii) and Human Resources Code §32.021(g) subject to the approval of the Centers for Medicare and Medicaid Services;

(b) $707,435 in General Revenue Match for Medicaid in each fiscal year in HHSC Strategy K.1.1, Office of Inspector General, contingent upon the recovery of overpayments and collection of damages and penalties under Government Code §531.102 and Human Resources Code §32.039; and

(c) $390,000 in General Revenue in each fiscal year in Department of State Health Services (DSHS) Strategy C.1.1, Food (Meat) and Drug Safety, contingent upon the collection of civil penalties under Health and Safety Code §431.0585. Any amounts collected above this amount is appropriated to DSHS in amounts equal to the costs of the investigation and collection proceedings conducted under Health and Safety Code §431.0585, and any amounts collected as reimbursement for claims paid by the agency.

In the event that actual and/or projected revenue collections are insufficient to offset the appropriations identified in subsections (b) or (c) of this provision, the Comptroller of Public Accounts is directed to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

Sec. 14. Limitation: Expenditure and Transfer of Public Health Medicaid Reimbursements.

(a) **Appropriations**. Included in the amounts appropriated to 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:

House

(a) $585,363 in Other Funds (Appropriated Receipts) in each fiscal year in Health and Human Services Commission (HHSC) Strategy H.1.2, Long-term Care Quality Outreach, collected pursuant to Human Resources Code §32.021. Any amount collected above this amount is to be applied to the protection of health and property of residents in nursing facilities in accordance with 42 U.S. Code §1396r(h)(2)(a)(ii) and Human Resources Code §32.021(g) subject to the approval of the Centers for Medicare and Medicaid Services; and

(b) $390,000 in General Revenue in each fiscal year in Department of State Health Services (DSHS) Strategy C.1.1, Food (Meat) and Drug Safety, contingent upon the collection of civil penalties under Health and Safety Code §431.0585. Any amounts collected above this amount are appropriated to DSHS in amounts equal to the costs of the investigation and collection proceedings conducted under Health and Safety Code §431.0585, and any amounts collected as reimbursement for claims paid by the agency. In the event that actual and/or projected revenue collections are insufficient to offset the appropriations identified in this subsection, the Comptroller of Public Accounts is directed to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

Sec. 14. Limitation: Expenditure and Transfer of Public Health Medicaid Reimbursements.

(a) **Appropriations**. Included in the amounts appropriated to 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:

Senate

(A) Strategy A.4.1, Laboratory Services: $37,105,294 in fiscal year 2022 and $37,197,270 in fiscal year 2023;

(B) Strategy B.2.2, Texas Primary Care Office: $225,576 in each fiscal year; and

(C) Strategy E.1.1, Central Administration: $366,935 in each fiscal year.

(2) Health and Human Services Commission:

(A) Strategy A.4.1, Non-Full Benefit Payments: $10,911,889 in fiscal year 2022 and $37,401,897 in fiscal year 2023; and

(B) Strategy G.2.1, Mental Health State Hospitals: $47,303,996 in each fiscal year.

Revenue from Account No. 709 shall be distributed first to the item in subsection (a)(1) and then to the item in subsection (a)(2)(B) until the full amount of those appropriations is satisfied. Revenue from Account No. 709 shall be distributed to the appropriate agency within ten business days of receipt.

Appropriations from Account No. 709 shall be expended prior to utilization of General Revenue or General Revenue-Dedicated Funds in strategies identified in this subsection. In the event General Revenue or General Revenue-Dedicated Funds have been expended prior to the receipt of appropriations from Account No. 709, DSHS or HHSC shall reimburse General Revenue or General Revenue-Dedicated on a monthly basis.

HHSC may temporarily utilize funds identified in subsection (a)(2)(B) in Strategy A.4.1, Non-Full Benefit Payments, in August of 2023 if amounts identified in subsection (a)(2)(A) are expected to be available but have not yet been distributed.

(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 funds are appropriated DSHS to reimburse the cost of performing newborn screening and to the Newborn Screening Preservation Account, established in Health and

House

(A) Strategy A.4.1, Laboratory Services: $37,105,294 in fiscal year 2022 and $37,197,270 in fiscal year 2023;

(B) Strategy B.2.2, Texas Primary Care Office: $225,576 in each fiscal year; and

(C) Strategy E.1.1, Central Administration: $366,935 in each fiscal year.

(2) Health and Human Services Commission:

(A) Strategy A.4.1, Non-Full Benefit Payments: $10,911,889 in fiscal year 2022 and $37,401,897 in fiscal year 2023; and

(B) Strategy G.2.1, Mental Health State Hospitals: $47,303,996 in each fiscal year.

Revenue from Account No. 709 shall be distributed first to the item in subsection (a)(1) and then to the item in subsection (a)(2)(B) until the full amount of those appropriations is satisfied. Revenue from Account No. 709 shall be distributed to the appropriate agency within ten business days of receipt.

Appropriations from Account No. 709 shall be expended prior to utilization of General Revenue or General Revenue-Dedicated Funds in strategies identified in this subsection. In the event General Revenue or General Revenue-Dedicated Funds have been expended prior to the receipt of appropriations from Account No. 709, DSHS or HHSC shall reimburse General Revenue or General Revenue-Dedicated on a monthly basis.

HHSC may temporarily utilize funds identified in subsection (a)(2)(B) in Strategy A.4.1, Non-Full Benefit Payments, in August of 2023 if amounts identified in subsection (a)(2)(A) are expected to be available but have not yet been distributed.

(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, DSHS or HHSC may expend the Public Health Medicaid Reimbursement funds thereby made available only upon prior written approval from the Legislative Budget Board

Senate

Safety Code, Section 33.052. If this occurs, DSHS may notify the Comptroller of Public Accounts, the Legislative Budget Board, and the Governor of the amount that DSHS projects will be received in excess of the amounts appropriated and any increased costs, along with sufficient information to reflect how the estimate was determined. If the Comptroller finds the information sufficient to support the projection of additional revenue, a finding of fact to that effect shall be issued to reflect the additional revenue available to DSHS and deposited to the Newborn Screening Preservation Account.

(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 HHSC Strategy A.4.1, Non-Full Benefit Payments.

(c) **Addition of New Newborn Screening.** In the event that additional screens are added to the Recommended Uniform Screening Panel in the biennium, additional revenue from the account shall be used as follows:

(1) fund DSHS increased cost for the test; and

(2) deposited to the credit of the Newborn Screening Preservation Account, established in Health and Safety Code, Section 33.052.

House

and the Governor. Notwithstanding Article IX, §14.01, Appropriation Transfers, and Special Provisions Relating to All Health and Human Services Agencies, §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:

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

(B) the reason for and the amount of any transfer of Public Health Medicaid Reimbursement revenue;

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

(D) the name of the strategy or strategies affected by the expenditure and the FTEs for each strategy by fiscal year;

(E) 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

(F) 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

Senate	House
	shall be made in HHSC Strategy A.4.1, Non-Full Benefit Payments.
Sec. 25. Unexpended Balance Authority for Certain Funds Supporting Capital Projects. (a) Notwithstanding all other limitations on unexpended balance authority in the Department of State Health Services (DSHS) or Department of Family and Protective Services (DFPS) bill patterns, any unexpended and unobligated balances from amounts appropriated as of August 31, 2022, to DSHS or DFPS are appropriated for the same purposes for the fiscal year beginning September 1, 2022, subject to the limitations in subsection (b) of this rider. (b) Unexpended balance authority provided by this rider is limited to funds that were appropriated to DFPS or DSHS to support enterprise assessment billing for a Health and Human Services Commission (HHSC) capital budget project and for which HHSC has used other authority provided by this Act to make appropriations for capital budget purposes made by this Act for use during the first year of the biennium available for use in the second year of the biennium for the same purpose.	**Sec. 25. Increase to Federal Medical Assistance Percentage (FMAP).** It is the intent of the Legislature that the Health and Human Services Commission and the Department of Family and Protective Services utilize the 6.2 percentage point increase to FMAP to the extent allowable by the federal government throughout the duration of the COVID-19 public health emergency.