

Rider Comparison Packet

Conference Committee on House Bill 1

2024-25 General Appropriations Bill

Article II – Health and Human Services

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

Differences Only - Excludes Capital
(Continued)

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8. Human Resources Management Plan. Out of funds appropriated above, the Department of Family and Protective Services (DFPS) shall develop a Human Resources Management Plan designed to produce a high-quality workforce and improve employee morale and retention. The plan must focus on reducing employee turnover through better management and hiring, retaining, and promoting a high-quality workforce into positions of leadership. DFPS shall report by March 31 and September 30 of each fiscal year to the Senate Finance Committee, the House Committee on Appropriations, the Legislative Budget Board, and the Governor. Each report shall include, at a minimum and for at least the preceding twelve months, the following information by job category: employee turnover rate, percent workers retained six months after completion of training, employee tenure, employee turnover following the implementation of salary increases and promotion rates. The effectiveness of the agency's plan shall be measured by whether there is a reduction in employee turnover rates at the agency, specifically by the reduction in the turnover rates for caseworkers.

27. Limitations: Community-based Care Payments.

- (a) Included in amounts appropriated above is \$352,848,771 in All Funds (\$218,498,505 in General Revenue Funds) in fiscal year 2024 and \$410,530,415 in All Funds (\$263,426,726 in General Revenue Funds) in fiscal year 2025 in Strategy B.1.1, CPS Direct Delivery Staff, for resource transfers, Stage II network support payments, and Child and Adolescent Needs and Strengths (CANS) assessments and Strategy B.1.9, Foster Care Payments, for Stage I network support payments and foster care payments for Community-based Care (CBC) in Stages I and II in Catchment Areas 3W, 2, 1, 8B, 3E, 4, 5, and 9, and Stage I in Catchment Areas 8A, 6A, 6B, and 10, as authorized by Family Code, Chapter 264.
- (b) Included in amounts identified in Subsection (a) is \$111,400,693 in All Funds (\$103,971,824 in General Revenue Funds) in fiscal year 2024 and \$145,230,947 in All Funds (\$134,368,841 in General Revenue Funds) in fiscal year 2025 in Strategy B.1.1, CPS Direct Delivery Staff, which DFPS may not exceed or expend for any purpose not identified in Subsection (a) without the prior written approval of the Legislative Budget Board and the Governor.
- (c) DFPS in conjunction with the Office of CBC Transition, shall continue the use of an independent evaluation to complete process and outcome evaluations throughout the entire

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8. Human Resources Management Plan. Out of funds appropriated above, the Department of Family and Protective Services (DFPS) shall develop a Human Resources Management Plan designed to produce a quality workforce and improve employee morale and retention. The plan must focus on reducing employee turnover through better management and hiring, retaining, and promoting a high-quality workforce into positions of leadership. DFPS shall report by March 31 and September 30 of each fiscal year to the Senate Finance Committee, the House Committee on Appropriations, the Legislative Budget Board, and the Governor. Each report shall include, at a minimum and for at least the preceding twelve months, the following information by job category: employee turnover rate, percent workers retained six months after completion of training, employee tenure, and promotion rates. The effectiveness of the agency's plan shall be measured by whether there is a reduction in employee turnover rates at the agency, specifically by the reduction in the turnover rates for caseworkers.

27. Limitations: Community-based Care Payments.

- (a) Included in amounts appropriated above is \$357,100,273 in All Funds (\$222,377,831 in General Revenue Funds) in fiscal year 2024 and \$419,253,991 in All Funds (\$271,386,647 in General Revenue Funds) in fiscal year 2025 in Strategy B.1.1, CPS Direct Delivery Staff, for resource transfers, Stage II network support payments, and Child and Adolescent Needs and Strengths (CANS) assessments and Strategy B.1.9, Foster Care Payments, for Stage I network support payments and foster care payments for Community-based Care (CBC) in Stages I and II in Regions 3W, 2, 1, 8B, 3E, 4, 5, and 9, and Stage I in Regions 8A, 6A, 6B, and 10, as authorized by Family Code, Chapter 264.
- (b) Included in amounts identified in Subsection (a) is \$115,652,155 in All Funds (\$107,851,110 in General Revenue Funds) in fiscal year 2024 and \$153,954,523 in All Funds (\$142,328,762 in General Revenue Funds) in fiscal year 2025 in Strategy B.1.1, CPS Direct Delivery Staff, which DFPS may not exceed or expend for any purpose not identified in Subsection (a) without the prior written approval of the Legislative Budget Board and the Governor.
- (c) DFPS in conjunction with the Office of CBC Transition, shall continue the use of an independent evaluation to complete process and outcome evaluations throughout the entire

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rollout and implementation of CBC in each established catchment area. All evaluations shall be provided to the Legislative Budget Board, the Governor, the House Committee on Appropriations, the Senate Committee on Finance, the House Committee on Human Services, and the Senate Committee on Health and Human Services.

- (d) DFPS shall report actual expenditures for each Catchment Area by strategy, stage, purpose, and method of finance within 30 days after the end of each fiscal quarter to the Legislative Budget Board and the Governor.

40. Foster Care Rate Increase. Out of funds appropriated above in Strategy B.1.9, Foster Care Payments, \$50,000,000 in General Revenue shall be used in each year of the biennium to increase the basic and moderate rates for residential and child placing agencies identified in Rider 24, Rate Listing and Limitations.

41. Contingent Appropriation Reimbursement Rates and Methodology; Reporting Requirements: Legacy Foster Care, Community-based Care Services, and Other Child Services. It is the intent of the Legislature to evaluate rates identified in Rider 24, Rate Listing and Limitations and adjust appropriations as needed, contingent upon the submission of an alternative reimbursement methodology proposal by the Department of Family and Protective Services (DFPS).

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rollout and implementation of CBC in each established catchment area. All evaluations shall be provided to the Legislative Budget Board, the Governor, the House Committee on Appropriations, the Senate Committee on Finance, the House Committee on Human Services, and the Senate Committee on Health and Human Services.

- (d) DFPS shall report actual expenditures for each region by strategy, stage, purpose, and method of finance within 30 days after the end of each fiscal quarter to the Legislative Budget Board and the Governor.

40. Foster Care Rate Increases. Out of funds appropriated above in Strategy B.1.9, Foster Care Payments, \$38,807,873 in General Revenue in fiscal year 2024 and \$39,031,339 in General Revenue in fiscal year 2025 shall be used to provide enhanced foster care rates to providers who have a no eject/no reject clause in their contract with the Department of Family and Protective Services.

41. Reporting on Court Monitor Fees. The Department of Family and Protective Service shall report no later than 60 business days from the end of each quarter, the amount billed from the foster care litigation court monitors. The report shall be prepared in a format specified by the Legislative Budget Board and shall include, but not limited to:

- (a) How many hours were billed and what the agency was billed for;
- (b) How many facilities are under heightened monitoring; and

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(c) Update from the agency on the status of complying with the court orders.

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 on Human Services, the Senate Committee on Health and Human Services, and any standing Joint Legislative Oversight Committees, as appropriate.

42. Contingency for Children Without Placement Appropriation. Included in appropriations above is \$9,000,000 in General Revenue in each fiscal year to address costs related to children without placement (CWOP). The use of funding is contingent upon the Department of Family and Protective Services (DFPS) contracting with a provider to address the needs of CWOP and DFPS implementing recommendations identified in the 2014 Child Protective Services Operational Review report.

42. Community Pathways.

- (a) Out of funds appropriated above in Strategy B.1.2, CPS Program Support, the Department of Family and Protective Services shall form a diverse stakeholder workgroup, including but not limited to youth and parents who have lived experience with DFPS, the Texas Supreme Court Children's Commission, child protection advocacy organizations, and/or other child welfare stakeholders to explore effective ways for Texas to leverage federal Family First Prevention Services Act funds to decrease DFPS investigations while still supporting struggling families. The workgroup shall consider the Community Pathways approach which allows community-based providers to offer services to struggling families and seek reimbursement from DFPS without needing to report suspected abuse or neglect; and
- (b) The workgroup shall report their findings by November 1, 2024, 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.

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43. Mental Health Team Reporting. Out of funds appropriated above, the Department of Family and Protective Services shall report, by October 1, 2024, to the House Appropriations Committee, the Senate Finance Committee, the Legislative Budget Board, and the Governor, the following regarding the dedicated Mental Health Services Team:

- (a) the activities of the Mental Health Team, including how the team coordinated care for children and youth in conservatorship;
- (b) recommendations on how to improve mental health services for children and youth in conservatorship; and
- (c) the effectiveness of STAR Health, including recommendations on how to improve STAR Health services for children and youth in conservatorship.

44. Family Preservation Services Asset Map.

- (a) Out of funds appropriated above in Strategy B.1.2, CPS Program Support, the Department of Family and Protective Services shall consult with the Health and Human Services Commission and the Texas Department of Juvenile Justice, and contract with an institution of higher education to develop a family preservation services asset map. The map shall, at a minimum, provide a complete, cross-system picture of family preservation services available to Texas children and families that are eligible for Title IV-E federal matching funds under the Family First Prevention Services Act, including any barriers to these services, and be publicly available and disaggregated by Community-Based Care catchment areas; and
- (b) DFPS shall share the asset map by August 31, 2025, with 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.

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45. Business Process Redesign. Out of funds appropriated above in Strategy B.1.1, CPS Direct Delivery Staff, the Department of Family and Protective Services (DFPS) shall contract with a third-party entity to evaluate and recommend how the agency can improve its child protective investigations process. The review of its investigations process should include, but not limited to, how DFPS can maximize its staffing capacity, ensure consistency in its investigations across the state and over time, collect and report all necessary documentation, and improve the quality of its investigation processes. DFPS shall submit a report to the Legislative Budget Board and the Governor of its finding, recommendations, and status of implementing recommendations by December 31, 2024.

45. Community-based Care Incubator Funds. Out of funds appropriated above in Strategy B.1.1, CPS Direct Delivery Staff, the Department of Family and Protective Services shall reimburse a lump sum in an amount no more than \$2,000,000 in General Revenue for the 2024-25 biennium, among Single Source Continuum Contactors (SSCCs) once a Community-based Care (CBC) contract has been awarded, for costs that are incurred prior to the contract award, in an amount not to exceed \$250,000, per SSCC contract. This only applies to SSCC contracts entered into on or after September 1, 2023, and areas where CBC is not implemented.

All unexpended balances appropriated above for this purpose in Strategy B.1.1, CPS Direct Delivery Staff, for the fiscal year ending August 31, 2024, are appropriated for the same purpose for the fiscal year beginning September 1, 2024.

46. Connecting Technology Services. Out of funds appropriated above in Strategy C.1.3, Child Abuse Prevention Grants, the Department of Family and Protective Services shall continue, and expand their contract with an organization that provides connecting technology for children and families in Texas. The technology services shall include providing community partners the opportunity to address the needs of children and families in their community.

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47. Long-Term Youth and Family Support. Out of funds appropriated above in Strategy B.1.8, Other CPS Purchased Services, the Department of Family and Protective Services shall allocate \$1,500,000 in General Revenue in fiscal year 2024 and \$3,000,000 in General Revenue in fiscal year 2025 to continue the program aimed at improving outcomes for children at highest risk of re-entering the child protective services system, and expand the program into at least two additional areas of the state and provide each program funding for, model support, including, but not limited to, training and technical assistance. The program shall:

- (a) be evidence-based or incorporate promising practices;
- (b) be implemented in a county with a population over 800,000; and
- (c) aim to reduce the child’s interaction with the juvenile justice system, reduce teen pregnancy and increase graduation rates over the span of the child’s youth.

48. Department of Family and Protective Services Liaison. The Department of Family and Protective Services (DFPS) has the authority to designate a DFPS employee to serve as a liaison in each region to be the point of contact between DFPS and the Texas Juvenile Justice Department.

49. Family First Prevention Services.

- (a) Out of federal funds appropriated to the Department of Family and Protective Services above, the department shall allocate the sum of \$19,300,000 for the state fiscal biennium beginning September 1, 2023, for the following purposes:
 - (1) the provision of family preservation services subject to the Family First Prevention Services Act (Title VII, Div. E, Pub. L. No. 115-123), including services for foster youth who are homeless;

44. Family First Transition Act Funding. Out of funds appropriated above, The Department of Family and Protective Services (DFPS) is appropriated \$20,000,000 in Family First Transition Act federal funds in fiscal year 2024 for the following purposes:

- (a) \$15,000,000 to continue funding pilot programs to serve children in the home pursuant to House Bill 3041, Eighty-seventh Legislature, Regular Session. DFPS shall develop additional criteria to ensure children that could enter conservatorship, or children of families struggling with significant issues that impact family stability and child safety, can be referred to the pilot program;

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- (2) the provision of services and interventions for children who are at imminent risk of being removed from their homes and placed into the conservatorship of the department but for whom a court of competent jurisdiction has issued an order allowing the children to remain safely in their homes or in kinship placements with the provision of family preservation services; and
- (3) the provision of services to:
 - (A) pregnant women or mothers with substance use disorders and their children; and
 - (B) children who are at imminent risk of being removed from their homes and placed into the conservatorship of the department because their parents refuse to accept parental responsibility and those children's families.
- (b) Not later than March 31 and September 30 of each year of the state fiscal biennium beginning September 1, 2023, the Department of Family and Protective Services shall prepare and submit a report to the governor, the Legislative Budget Board, 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 appropriate standing joint legislative oversight committee regarding the department's progress toward increasing the capacity of qualifying community-based prevention and family preservation services. The department shall:
 - (1) prepare the report in a format specified by the Legislative Budget Board and include a full accounting of funds expended under this section; and
 - (2) post the report on the department's Internet website.

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- (b) \$5,000,000 to continue funding the Qualified Residential Treatment Programs (QRTPs) to allow providers to meet QRTP standards under the Family First Prevention Services Act; and
- (c) All unexpended balances appropriated above for this purpose for the fiscal year ending August 31, 2024, are appropriated for the same purpose for the fiscal year beginning September 1, 2024.

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27. Federal Funds Reporting Requirement.

- (a) Included in amounts appropriated above are the following amounts in each fiscal year:
 - (1) \$37,815,773 in Public Health Emergency Preparedness federal funds in Strategy A.1.1, Public Health Preparedness and Coordinated Services;
 - (2) \$15,313,776 in Bioterrorism Hospital Preparedness Program federal funds in Strategy A.1.1, Public Health Preparedness and Coordinated Services; and
 - (3) \$22,011,636 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.

31. Alzheimer’s Disease Program. Out of the amounts appropriated above in Strategy A.3.1, Chronic Disease Prevention, the Department of State Health Services (DSHS) shall expend \$5,000,000 in General Revenue in each fiscal year on the Alzheimer’s Disease Program. The Alzheimer's Disease Program shall:

32. Alzheimer’s Disease Program. Out of the amounts appropriated above in Strategy A.3.1, Chronic Disease Prevention, the Department of State Health Services shall expend \$500,000 in General Revenue in each fiscal year on the Alzheimer’s Disease Program.

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- (a) Include a public awareness component for healthcare professionals to highlight the importance of early detection and diagnosis of Alzheimer's disease and related dementias;
- (b) Assist in fulfilling the responsibility of DSHS to develop and implement a State Plan on Alzheimer's Disease, as required by Health and Safety Code Section 99A.001;
- (c) Coordinate with other state agencies, institutions of higher education, and other stakeholders on implementation of the State Plan on Alzheimer's Disease;
- (d) Operate a competitive grants program to provide support to qualified local and regional entities providing direct caregiver support and promoting the early detection and diagnosis of Alzheimer's disease and related dementias. The agency may contract with another state agency or institution of higher education to operate the grant program;
- (e) Study and recommend the inclusion of appropriate dementia-related questions in the Behavioral Risk Factor Surveillance System; and
- (f) Implement other initiatives related to caregiver support and the promotion of early detection and diagnosis of Alzheimer's disease and related dementias.

The Alzheimer's Disease program is provided an additional 1.0 FTE to manage various program initiatives and coordinate efforts with other state agencies related to Alzheimer's disease and other dementias.

33. Department of State Health Services and Department of Information Resources: Vital Statistics Revenue. It is the intent of the Legislature that the Department of Information Resources (DIR) and the Department of State Health Services (DSHS) enter into an agreement to share the customer fee for vital statistics services with DIR retaining a Texas Online fee of \$3 per order and DSHS retaining the remainder of the customer fee to be deposited to General Revenue - Dedicated Fund 19, Vital Statistics Account.

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33. Maternal Health Quality Improvement System and Maternal Mortality Review Information Application (MMRIA) Replacement. Included in the amounts appropriated above in Strategy B.1.1, Maternal and Child Health, is the following:

- (a) \$425,850 in General Revenue in fiscal year 2024 and \$4,600,466 in General Revenue in fiscal year 2025 for a Maternal Health Quality Improvement System to obtain faster hospital discharge data, provide more comprehensive data analysis, and to attain more timely and usable data metrics; and
- (b) \$2,968,140 in General Revenue in fiscal year 2024 and \$2,915,963 in General Revenue in fiscal year 2025 to develop and maintain a state-based replacement for the Maternal Mortality Review Information Application (MMRIA) to support the Maternal Mortality and Morbidity Review Committee. The state-based replacement application would facilitate case abstraction, case review, data entry, and documentation. It is the intent of the Legislature that the state-based replacement system would fully replace utilization of MMRIA by the Department of State Health Services and its implementation is intended to preclude the acceptance of federal funding for use of MMRIA or any similar federal application.

34. Rio Grande Valley Facilities and Services. All unexpended and unobligated balances remaining as of the effective date of this Act from the appropriations made by Section 16, Chapter 10 (Senate Bill 8), Acts of the Eighty-seventh Legislature, Third Called Session, 2021 (the Supplemental Appropriations Act) and unexpended balances from Senate Bill 30, Eighty-eighth Legislature, Regular Session, 2023, from American Rescue Plan Act (ARPA) funds or other appropriated funds to the Department of State Health Services for the purpose of upgrading existing laboratory facilities and infrastructure are hereby appropriated to the department for the purpose of contracting with a healthcare entity located in the Rio Grande Valley designated as a level 1 trauma facility on or before January 1, 2022, for the construction of facilities and related infrastructure in Starr County for: research facilities; laboratory facilities; graduate medical education programs, including clinic and teaching space; medical clinics; and multispecialty clinic services.

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34. Health Programs for Persons with Intellectual Disabilities. Included in the amounts appropriated above in B.1.2, Children with Special Needs: Children with Special Health Care Needs, is \$1,000,000 in General Revenue in each fiscal year of the 2024-25 biennium to provide grants to organizations that provide statewide screenings and education in screenings and education that includes health history, physical exams, vision/eye health, audiology, dentistry, nutrition, physical therapy, and podiatry for people with intellectual disabilities.

35. Emergency Preparedness/Patient Communication and Logistics Platform. Included in the amounts appropriated above in Strategy A.1.1, Public Health Preparedness and Coordinated Services, the Department of State Health Services is appropriated \$2,400,000 in General Revenue in each fiscal year of the biennium to maintain existing patient transfer portal technology.

36. Oral Rabies Vaccination Bait Airdrop Program. Out of funds appropriated above in Strategy A.2.3, Infectious Disease Prevention, Epidemiology, and Surveillance, the Department of State Health Services shall allocate \$842,000 in General Revenue in each fiscal year for the Oral Rabies Vaccination Bait Airdrop Program.

36. Strategic National Stockpile for Health Emergency Preparedness and Response. Out of the amounts appropriated above to the Department of State Health Services and to the extent federal funding is available for that purpose, the department, in coordination with the Task Force on Infectious Disease Preparedness and Response created under Subchapter J, Chapter 81, Health and Safety Code, may prepare and submit to the United States Department of Health and Human Services an application for a grant award under Section 319F-2, Public Health Service Act (42 U.S.C. Section 247d-6b), to establish, expand, or maintain a stockpile of appropriate medicines, medical devices, protective equipment, and other supplies determined necessary by this state to respond to a disaster declared by the governor or public health disaster or emergency declared by the commissioner of state health services under state law or a major disaster or emergency

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declared by the President of the United States under federal law.

37. Study on Sewage and Water Infrastructure in Border Colonias. Out of the amounts appropriated above to the Department of State Health Services for Strategy A.1.4, Border Health and Colonias, the department shall conduct a study on disparities between sewage and water infrastructure in colonias along the United States and Mexico border and in other neighborhoods and communities throughout this state. Not later than September 1, 2024, the department shall prepare and submit to the legislature a written report summarizing the results of the study and including recommendations for legislative or other action.

37. COVID-19 Vaccinations. None of the General Revenue funds appropriated to the Department of State Health Services (DSHS) may be used for the purpose of promoting or advertising COVID-19 vaccinations in the 2024-25 biennium. It is also the intent of the legislature that to the extent allowed by federal law, any federal funds allocated to DSHS shall be expended for activities other than promoting or advertising COVID-19 vaccinations.

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8. Hospital Payments. Included in amounts appropriated above to the Health and Human Services Commission (HHSC) in Strategies in Goal A, Medicaid Client Services, is \$102,796,400 in General Revenue Funds, \$82,189,313 in Interagency Contracts, and \$278,870,136 in Federal Funds (\$463,855,849 in All Funds) in fiscal year 2024 and \$104,322,373 in General Revenue Funds, \$84,261,535 in Interagency Contracts, and \$281,465,713 in Federal Funds (\$470,049,621 in All Funds) in fiscal year 2025 to provide Medicaid hospital add-on payments for trauma care and safety-net hospitals and add-on payments and rate increases for rural hospitals as follows:

- (a) \$71,784,000 in Interagency Contracts and \$108,216,000 in Federal Funds in fiscal year 2024 and \$72,216,000 in Interagency Contracts and \$107,784,000 in Federal Funds in fiscal year 2025 for trauma care;
- (b) \$49,414,687 in General Revenue Funds, \$10,405,313 in Interagency Contracts, and \$90,180,000 in Federal Funds in fiscal year 2024 and \$48,134,465 in General Revenue Funds, \$12,045,535 in Interagency Contracts, and \$89,820,000 in Federal Funds in fiscal year 2025 for safety-net hospitals;
- (c) \$11,964,000 in General Revenue Funds and \$18,036,000 in Federal Funds in fiscal year 2024 and \$12,036,000 in General Revenue Funds and \$17,964,000 in Federal Funds in fiscal year 2025 for rural hospitals to maintain increases and add-ons related to general outpatient reimbursement rates, outpatient emergency department services that do not qualify as emergency visits, the outpatient hospital imaging services fee schedule, and the outpatient clinical laboratory services fee schedule;
- (d) \$11,644,960 in General Revenue Funds and \$17,555,040 in Federal Funds in fiscal year 2024 and \$13,440,200 in General Revenue Funds and \$20,059,800 in Federal Funds in fiscal year 2025 for rural hospitals to maintain inpatient rates trended forward from 2013 to 2020 using an inflationary factor;
- (e) \$5,446,155 in General Revenue Funds and \$8,210,201 in Federal Funds in fiscal year 2024 and \$5,651,359 in General Revenue Funds and \$8,434,781 in Federal Funds in fiscal year 2025 for rural hospitals to maintain increases to inpatient rates in addition to those identified in Subsection (d); and
- (f) \$24,326,598 in General Revenue Funds and \$36,672,895 in Federal Funds in fiscal year 2024 and \$25,060,349 in General Revenue Funds and \$37,403,132 in Federal Funds in fiscal year 2025 to maintain increases in reimbursement for Medicaid services provided by rural

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8. Hospital Payments. Included in amounts appropriated above to the Health and Human Services Commission (HHSC) in Strategies in Goal A, Medicaid Client Services, is \$118,446,400 in General Revenue Funds, \$82,189,313 in Interagency Contracts, and \$299,620,136 in Federal Funds (\$500,255,849 in All Funds) in fiscal year 2024 and \$119,972,373 in General Revenue Funds, \$84,261,535 in Interagency Contracts, and \$302,215,713 in Federal Funds (\$506,449,621 in All Funds) in fiscal year 2025 to provide Medicaid hospital add-on payments for trauma care and safety-net hospitals and add-on payments and rate increases for rural hospitals as follows:

- (a) \$71,784,000 in Interagency Contracts and \$108,216,000 in Federal Funds in fiscal year 2024 and \$72,216,000 in Interagency Contracts and \$107,784,000 in Federal Funds in fiscal year 2025 for trauma care;
- (b) \$49,414,987 in General Revenue Funds, \$10,405,313 in Interagency Contracts, and \$90,180,000 in Federal Funds in fiscal year 2024 and \$48,134,465 in General Revenue Funds, \$12,045,535 in Interagency Contracts, and \$89,820,000 in Federal Funds in fiscal year 2025 for safety-net hospitals;
- (c) \$27,614,000 in General Revenue Funds and \$38,786,000 in Federal Funds in fiscal year 2024 and \$27,686,000 in General Revenue Funds and \$38,714,000 in Federal Funds in fiscal year 2025 for rural hospitals to maintain increases and add-ons related to general outpatient reimbursement rates, outpatient emergency department services that do not qualify as emergency visits, the outpatient hospital imaging services fee schedule, and the outpatient clinical laboratory services fee schedule;
- (d) \$11,644,960 in General Revenue Funds and \$17,555,040 in Federal Funds in fiscal year 2024 and \$13,440,200 in General Revenue Funds and \$20,059,800 in Federal Funds in fiscal year 2025 for rural hospitals to maintain inpatient rates trended forward from 2013 to 2020 using an inflationary factor;
- (e) \$5,446,155 in General Revenue Funds and \$8,210,201 in Federal Funds in fiscal year 2024 and \$5,651,359 in General Revenue Funds and \$8,434,781 in Federal Funds in fiscal year 2025 for rural hospitals to maintain increases to inpatient rates in addition to those identified in Subsection (d); and
- (f) \$24,326,598 in General Revenue Funds and \$36,672,895 in Federal Funds in fiscal year 2024 and \$25,060,349 in General Revenue Funds and \$37,403,132 in Federal Funds in fiscal year 2025 to maintain increases in reimbursement for Medicaid services provided by rural

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hospitals.

HHSC shall develop a methodology to implement the add-on payments pursuant to funding identified in Subsection (b) that targets the state's safety-net hospitals, including those hospitals that treat high percentages of Medicaid and low-income, uninsured patients. Total reimbursement for each hospital shall not exceed its hospital specific limit.

For purposes of Subsections (c), (d), (e) and (f), rural hospitals are defined as (1) hospitals located in a county with 70,000 or fewer persons according to the 2020 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. No reimbursement may exceed the hospital specific limit and reimbursement for outpatient emergency department services that do not qualify as emergency visits may not exceed 65 percent of cost.

To the extent possible, HHSC shall ensure any funds identified in this rider that are included in Medicaid managed care capitation rates are distributed by the managed care organizations to the hospitals. The expenditure of funds identified in this rider that are not used for targeted increases to hospital provider rates as outlined above shall require the prior written approval of the Legislative Budget Board.

- 15. Supplemental Payment Programs Reporting and Appropriation Authority for Intergovernmental Transfers.** Out of funds appropriated above in Strategy B.1.1, Medicaid & CHIP 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 Providers Charity Care Pool (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:

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hospitals.

HHSC shall develop a methodology to implement the add-on payments pursuant to funding identified in Subsection (b) that targets the state's safety-net hospitals, including those hospitals that treat high percentages of Medicaid and low-income, uninsured patients. Total reimbursement for each hospital shall not exceed its hospital specific limit.

For purposes of Subsections (c), (d), (e) and (f), rural hospitals are defined as (1) hospitals located in a county with 65,000 or fewer persons according to the 2020 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. No reimbursement may exceed the hospital specific limit and reimbursement for outpatient emergency department services that do not qualify as emergency visits may not exceed 65 percent of cost.

To the extent possible, HHSC shall ensure any funds identified in this rider that are included in Medicaid managed care capitation rates are distributed by the managed care organizations to the hospitals. The expenditure of funds identified in this rider that are not used for targeted increases to hospital provider rates as outlined above shall require the prior written approval of the Legislative Budget Board.

- 15. Supplemental Payment Programs Reporting and Appropriation Authority for Intergovernmental Transfers.** Out of funds appropriated above in Strategy B.1.1, Medicaid & CHIP 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 Providers Charity Care Pool (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:

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- (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
 - (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

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- (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
 - (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

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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 IGTs received as Appropriated Receipts-Match for Medicaid No. 8062 for the purpose of matching Medicaid Federal Funds for payments to Medicaid providers and to 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 Office of 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.
 - (1) Any amounts of such transferred funds not required for these payments shall be deposited by HHSC to the General Revenue Fund as unappropriated revenue.
 - (2) If a state owned hospital is eligible and chooses to participate in a hospital directed payment program authorized under the federal Healthcare Transformation and Quality Improvement Waiver, and the amount of funds deposited by HHSC under subparagraph (1) of this provision is not equivalent to the amount deposited in state fiscal year 2023 based on the non-enhanced Federal Medical Assistance Percentages, HHSC shall calculate the difference and provide notice to the state-owned hospital, the Legislative Budget Board, the Comptroller of Public Accounts, and the Office of the Governor.
 - (3) Payments for physicians, pharmacies, and clinics are governed by Special Provisions Relating Only to Agencies of Higher Education, Section 50, Transfer of Appropriations for Participation in the Healthcare Transformation and Quality Improvement Waiver.

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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 IGTs received as Appropriated Receipts-Match for Medicaid No. 8062 for the purpose of matching Medicaid Federal Funds for payments to Medicaid providers and to 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 Office of 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.
 - (1) Any amounts of such transferred funds not required for these payments shall be deposited by HHSC to the General Revenue Fund as unappropriated revenue.
 - (2) If a state owned hospital is eligible and chooses to participate in a hospital directed payment program authorized under the federal Healthcare Transformation and Quality Improvement Waiver, and the amount of funds deposited by HHSC under subparagraph (1) of this provision is not equivalent to the amount deposited in state fiscal year 2023 based on the non-enhanced Federal Medical Assistance Percentages, HHSC shall calculate the difference and provide notice to the state-owned hospital, the Legislative Budget Board, the Comptroller of Public Accounts, and the Office of the Governor.
 - (3) Payments for physicians, pharmacies, and clinics are governed by Special Provisions Relating Only to Agencies of Higher Education, Section 50, Transfer of Appropriations for Participation in the Healthcare Transformation and Quality Improvement Waiver.

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- (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 Office of the Governor, and the Legislative Budget Board.
- (h) Included in the "Number of Full Time Equivalents (FTE)" appropriated above, are 42.0 FTEs for each year of the 2024-25 biennium for the implementation of 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.
- (i) Notwithstanding the limitations in Article IX, Section 14.03, Transfers - Capital Budget, and Rider 95, 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.

16. 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, \$12,373,629 in General Revenue and \$19,119,444 in Federal Funds in fiscal year 2024 and \$12,549,990 in General Revenue and \$18,943,083 in Federal Funds in fiscal year 2025 for HHSC to provide a \$1,500 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 70,000 or fewer persons according to the 2020 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

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- (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 Office of the Governor, and the Legislative Budget Board.
- (h) Included in the "Number of Full Time Equivalents (FTE)" appropriated above, are 42.0 FTEs for each year of the 2024-25 biennium for the implementation of 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. Notwithstanding the limitations of Article IX, Section 6.10, Limitations on State Employment Levels, limitations on FTEs do not apply to instances of employment in which funds are derived from Government Code, Section 531.021135, and applicable federal funds.
- (i) Notwithstanding the limitations in Article IX, Section 14.03, Transfers - Capital Budget, and Rider 97, 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.

16. 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, \$5,296,897 in General Revenue and \$7,985,192 in Federal Funds in fiscal year 2024 and \$5,328,774 in General Revenue and \$7,953,315 in Federal Funds in fiscal year 2025 for HHSC to provide a \$750 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 65,000 or fewer persons according to the 2020 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

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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.

19. Interest List Reporting. Out of funds appropriated above in Strategy B.1.1, Medicaid & CHIP Contracts & Administration, the Health and Human Services Commission shall post the following information regarding the Home and Community-based Services, Community Living Assistance and Support Services, Deaf-Blind Multiple Disabilities, Texas Home Living, and Medically Dependent Children Program waivers and STAR+PLUS on the commission's website:

- (a) interest list releases;
- (b) interest list counts, by years on list;
- (c) average number of individuals on the interest list per month;
- (d) average number of individuals on the interest list receiving other services per month;
- (e) percent declined services or found to be ineligible for services at the end of the fiscal year;
- (f) the unduplicated number of persons on each interest list, broken out by program, by month; and
- (g) the type of services persons may require, based on the services provided by the program in which the person is interested.

21. Health and Human Services Cost Containment. It is the intent of the Legislature that 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 2024-25 biennium throughout the health and human services system. These initiatives shall include:

- (a) increasing fraud, waste, and abuse prevention and detection;

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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.

19. Interest List Reporting. Out of funds appropriated above in Strategy B.1.1, Medicaid & CHIP Contracts & Administration, the Health and Human Services Commission shall post the following information regarding the Home and Community-based Services, Community Living Assistance and Support Services, Deaf-Blind Multiple Disabilities, Texas Home Living, and Medically Dependent Children Program waivers and STAR+PLUS on the commission's website:

- (a) interest list releases;
- (b) interest list counts, by years on list;
- (c) average number of individuals on the interest list per month;
- (d) average number of individuals on the interest list receiving other services per month; and
- (e) percent declined services or found to be ineligible for services at the end of the fiscal year.

21. 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 2024-25 biennium throughout the health and human services system. These initiatives shall include:

- (a) increasing fraud, waste, and abuse prevention and detection;

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- (b) seeking to maximize federal flexibility under the Medicaid program;
- (c) achieving other programmatic and administrative efficiencies; and
- (d) savings from services identified in Rider 125, Emergency Telemedicine Services for Individuals with Intellectual and Developmental Disabilities.

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.

24. COVID-19 Nursing Facility Add-on Rate. Included in the appropriations above are the following amounts that are only available to the Health and Human Services Commission (HHSC) contingent on the conclusion of the federally-declared COVID-19 public health emergency (PHE):

- (a) \$129,385,946 in General Revenue and \$195,052,234 in Federal Funds (\$324,438,180 in All Funds) in fiscal year 2024 and \$135,703,968 in General Revenue and \$202,541,217 in Federal Funds (\$338,245,185 in All Funds) in fiscal year 2025 in Strategy A.1.1, Aged and Medicare-Related; and
- (b) \$29,569,937 in General Revenue and \$44,577,347 in Federal Funds (\$74,147,284 in All Funds) in fiscal year 2024 and \$30,032,821 in General Revenue and \$44,824,659 in Federal Funds (\$74,857,480 in All Funds) in fiscal year 2025 in Strategy A.2.4, Nursing Facility Payments.

HHSC shall only expend the funds in Subsections (a) and (b) to maintain the emergency add-on reimbursement rate increase for nursing facilities originally implemented for the duration of the PHE. HHSC may not expend funds appropriated under this section for nursing facility services

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- (b) seeking to maximize federal flexibility under the Medicaid program;
- (c) achieving other programmatic and administrative efficiencies; and
- (d) savings from services that include Emergency Telemedicine Services for Individuals with Intellectual and Developmental Disabilities.

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.

24. Nursing Facility Reimbursement Rate Increase. Included in the appropriations above are the following amounts:

- (a) \$129,385,946 in General Revenue and \$195,052,234 in Federal Funds (\$324,438,180 in All Funds) in fiscal year 2024 and \$135,703,968 in General Revenue and \$202,541,217 in Federal Funds (\$338,245,185 in All Funds) in fiscal year 2025 in Strategy A.1.1, Aged and Medicare-Related; and
- (b) \$29,569,937 in General Revenue and \$44,577,347 in Federal Funds (\$74,147,284 in All Funds) in fiscal year 2024 and \$30,032,821 in General Revenue and \$44,824,659 in Federal Funds (\$74,857,480 in All Funds) in fiscal year 2025 in Strategy A.2.4, Nursing Facility Payments.

The Health and Human Services Commission (HHSC) shall only expend the funds in Subsections (a) and (b) to provide reimbursement rate increases that will increase the wages and benefits of direct care staff. HHSC shall implement the rate increases in a manner that will enable HHSC to ensure that at least 90 percent of the funds are expended for the benefit of direct care staff wages

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until the Temporary Rate Increases for COVID-19 Response for Nursing Facilities, which were implemented on April 1, 2020, are no longer in effect. HHSC may not expend funds appropriated for nursing facility services in Medicaid managed care in lieu of payments that are currently authorized by the Centers for Medicare and Medicaid Services for the Quality Improvement Payment Program; and HHSC may not expend funds appropriated for nursing facility services in Medicaid fee-for-service that would not result in receipt of Federal Funds.

To receive reimbursement rate increases appropriated under Subsections (a) and (b), nursing facilities must report to HHSC on their biennial cost report information regarding the use of these funds, as specified by HHSC, including information related to efforts to improve or maintain client care and quality of services.

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and benefits and shall return to the Comptroller of Public Accounts any amount recouped from a provider who does not utilize the funds in accordance with that purpose. HHSC may not expend funds appropriated for nursing facility services in Medicaid managed care in lieu of payments that are currently authorized by the Centers for Medicare and Medicaid Services for the Quality Improvement Payment Program; and HHSC may not expend funds appropriated for nursing facility services in Medicaid fee-for-service that would not result in receipt of Federal Funds.

To receive reimbursement rate increases appropriated under Subsections (a) and (b), nursing facilities must report to HHSC on their biennial cost report information regarding the use of these funds, as specified by HHSC, including information related to efforts to improve or maintain client care and quality of services, and to demonstrate that at least 90 percent of the funds were expended for the purpose of direct care staff wages or benefits.

31. Mental Health Appropriations and Federal Matching Opportunities. Out of funds appropriated above in Strategies D.2.1, Community Mental Health Svcs Adults; D.2.2, Community Mental Hlth Svcs Children; and D.2.3, Community Mental Health Crisis Svcs, the Health and Human Services Commission (HHSC) by contract shall require that General Revenue funds be used to the extent possible to draw down additional federal funds through the 1115 Transformation Waiver or other federal matching opportunities. Nothing in this section shall relieve a Local Mental Health Authority or Local Behavioral Health Authority from an obligation to provide mental health services under the terms of a performance contract with HHSC or to reduce the amount of such obligation specified in the contract. HHSC shall report to the Legislative Budget Board and the Office of the Governor by December 1 of each fiscal year on efforts to leverage these funds.

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35. 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) \$40,000,000 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 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) \$27,500,000 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;
 - (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; and
 - (6) \$32,500,000 in General Revenue in each fiscal year of the biennium for an innovation grant program to support a variety of community-based initiatives that improve access to care for children and families, such as programs that reduce juvenile justice involvement, relinquishment, and preventable emergency room visits, and provide mental health prevention and intervention services. The Health and Human Services Commission (HHSC) shall ensure at least half of the appropriated innovation grant funds are used to provide mental health services at Independent School Districts.

- (b) **Unexpended Balance Authority within the Biennium.** Any unexpended balances

36. 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) \$40,000,000 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 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) \$27,500,000 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;
 - (5) \$16,500,000 in General Revenue in each fiscal year of the biennium to provide grants for Healthy Community Collaboratives funding public/private collaboratives to address homelessness pursuant to Government Code, Section 539.002; and
 - (6) \$7,500,000 in General Revenue in each fiscal year of the biennium for an innovation grant program to support a variety of community-based initiatives that improve access to care for children and families, such as programs that reduce juvenile justice involvement, relinquishment, and preventable emergency room visits.
- (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

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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, 2024, 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 Office of 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.

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year of the biennium.

- (c) **Reporting Requirement.** By November 1, 2024, 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 Office of 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 shall issue a needs and capacity assessment in fiscal year 2024 to solicit grant program proposals for the funding identified in Subsection (a)(2) and prioritize proposals with a use described by Government Code, Section 531.0993(f)(3).

37. Block Grants for Community Mental Health. Out of funds appropriated above, the Health and Human Services Commission (HHSC) shall produce a report on the uses of the federal Block Grants for Community Mental Health (MHBG) funds in the previous fiscal year, including supplemental and one-time awards received by HHSC.

The report shall include:

- (a) an itemized list of each activity funded with MHBG funds;
- (b) identification of whether the activity was funded by one-time federal COVID-19 related

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MHBG awards and/or MHBG awards the state received through the regular federal legislative process;

- (c) a detailed description of each activity listed in subsection (a), including expenditures by funding stream; and
- (d) the total amount of federal MHBG funds expended and the actual amount of unexpended and unobligated balances.

HHSC shall submit the report to the Legislative Budget Board, Office of the Governor Senate Finance Committee, House Appropriations Committee, and permanent committees in the Senate and House of Representatives with jurisdiction over health and human services by June 1 of each fiscal year.

38. Informational Listing: Additional Mental Health Funding. Appropriations above for the Health and Human Services Commission (HHSC) include the following amounts in General Revenue:

(a) **HHSC Frontline Staff.**

- (1) **Salary Increases.** \$107,211,441 in each fiscal year in Strategy G.1.1, State Supported Living Centers, and \$70,847,041 in fiscal year 2024 and \$70,847,042 in fiscal year 2025 in Strategy G.2.1, Mental Health State Hospitals, to maintain salary increases for frontline staff at HHSC facilities.

(b) **Expansion of Community Inpatient Beds.**

- (1) **State Hospital Contracted Beds.** \$10,200,000 in each fiscal year in Strategy G.2.2, Mental Health Community Hospitals, to expand contracted bed capacity by 40 beds.
- (2) **Inpatient Contracted Beds.** \$161,250,000 in each fiscal year in Strategy G.2.2, Mental Health Community Hospitals, for up to 234 additional state-purchased inpatient psychiatric beds, including beds in rural and urban communities and for contract rate

40. Informational Listing: Additional Mental Health Funding. Appropriations above for the Health and Human Services Commission (HHSC) include the following amounts in General Revenue:

(a) **HHSC Frontline Staff.**

- (1) **Salary Increases.** \$98,075,062 in fiscal year 2024 and \$98,074,155 in fiscal year 2025 in Strategy G.1.1, State Supported Living Centers, and \$65,003,596 in each fiscal year in Strategy G.2.1, Mental Health State Hospitals, to maintain salary increases for frontline staff at HHSC facilities.

(b) **Expansion of Community Inpatient Beds.**

- (1) **State Hospital Contracted Beds.** \$4,197,500 in each fiscal year in Strategy G.2.1, Mental Health State Hospitals, to contract for 20 competency restoration beds; and \$4,068,000 in each fiscal year in Strategy G.2.2, Mental Health Community Hospitals, to expand contracted bed capacity by 16 beds;
- (2) **John S. Dunn Behavioral Sciences Center.** \$4,730,400 in each fiscal year in Strategy

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adjustments as needed, and to contract for an additional 150 competency restoration beds.

(c) Step-down Housing and State Hospital Transitions.

- (1) **State Hospital Transition Teams.** \$4,279,158 in fiscal year 2024 and \$4,185,891 in fiscal year 2025 in Strategy G.2.1, Mental Health State Hospitals, to establish state hospital transition teams to support individuals statewide who are at risk of state hospital readmission by providing coordination and support to address mental health needs in the community.
- (2) **Step-Down Housing Expansion.** \$8,500,000 in each fiscal year in Strategy D.2.1, Community Mental Health Services (MHS) for Adults, to expand step-down housing programs statewide to identify, assess, and transition patients with acute mental health and/or medical needs from hospitals to community settings with appropriate supports.

(d) Crisis Services.

- (1) **Crisis Stabilization Units.** \$18,000,000 in each fiscal year in Strategy D.2.3, Community Mental Health Crisis Services (CMHCS), to fund six additional crisis stabilization units to provide a short-term alternative to hospital admission to reduce acute symptoms of mental illness.
- (2) **Crisis Respite Units for Youth.** \$5,750,000 in each fiscal year in Strategy D.2.3, Community Mental Health Crisis Services (CMHCS), to fund four additional crisis respite units that serve youth and to pilot three peer-run units.
- (3) **Youth Mobile Crisis Outreach Teams.** \$4,000,000 in each fiscal year in Strategy D.2.3, Community Mental Health Crisis Services (CMHCS), to establish youth mobile crisis outreach teams to reduce the risk of hospitalization from acute mental health illness and transition youth into care.

(e) Expansion of Programs for High-Risk Children.

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G.2.1, Mental Health State Hospitals, to increase funding for 144 beds at the John S. Dunn Behavioral Sciences Center; and \$6,132,000 in each fiscal year in Strategy G.2.1, Mental Health State Hospitals, to expand state hospital capacity at the John S. Dunn Behavioral Sciences Center by 24 beds. It is the intent of the Legislature that the additional beds be dedicated to addressing the state hospital forensic waitlist.

- (3) **Purchased Psychiatric Beds.** \$109,665,384 in each fiscal year in Strategy G.2.2, Mental Health Community Hospitals, to maintain existing capacity and for 234 additional state-purchased inpatient psychiatric beds, including 85 beds in rural communities and 149 beds in urban communities. HHSC shall expend \$5,840,000 of this funding in each fiscal year for the Intensive Psychiatric Stabilization Program dedicated to children in Department of Family and Protective Services (DFPS) conservatorship and shall prioritize an additional 20 contracted beds for children in DFPS conservatorship. It is the intent of the legislature that the Intensive Psychiatric Stabilization Program shall first serve children statewide with the highest priority.
- (4) **Inpatient Capacity Expansion.** \$45,834,616 in each fiscal year in Strategy G.2.2, Mental Health Community Hospitals, to contract for an additional 150 competency restoration beds.
- (5) **Sunrise Canyon Operational Funding.** \$2,900,000 in each fiscal year in Strategy G.2.2, Mental Health Community Hospitals, to increase funding for existing Sunrise Canyon Hospital inpatient beds.

(c) Step-down Housing and State Hospital Transitions.

- (1) **State Hospital Transition Teams.** \$2,500,000 in each fiscal year in Strategy G.2.1, Mental Health State Hospitals, to establish state hospital transition teams to support individuals statewide who are at risk of state hospital readmission by providing coordination and support to address mental health needs in the community.
- (2) **Step-Down Housing Expansion.** \$8,500,000 in each fiscal year in Strategy D.2.1, Community Mental Health Services (MHS) for Adults, to expand step-down housing programs statewide to identify, assess, and transition patients with acute mental health and/or medical needs from hospitals to community settings with appropriate supports.

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- (1) **Multisystemic Therapy.** \$15,225,000 in each fiscal year in Strategy D.2.2, Community Mental Health Services (MHS) for Children, to expand multisystemic therapy, which provides community-based treatment for at-risk youth with intensive needs and their families.
- (2) **Coordinated Specialty Care.** \$2,100,000 in each fiscal year in Strategy D.2.1, Community Mental Health Services (MHS) for Adults, to expand coordinated specialty care, which provides outpatient behavioral health services to persons experiencing an early onset of psychosis.
- (3) **Mental Health Services for the Uvalde Community.** \$5,000,000 in each fiscal year in Strategy D.2.1, Community Mental Health Services (MHS) for Adults, to partner with the Hill Country Local Mental Health Authority to provide ongoing mental health services support for the Uvalde community.

Senate

(d) Crisis Services.

- (1) **Crisis Stabilization Units.** \$18,000,000 in each fiscal year in Strategy D.2.3, Community Mental Health Crisis Services (CMHCS), to fund six additional crisis stabilization units, and \$2,500,00 in fiscal year 2024 for the crisis stabilization unit at the Certified Community Behavioral Health Clinic that services Montgomery, Walker, and Liberty Counties, to provide a short-term alternative to hospital admission to reduce acute symptoms of mental illness.
- (2) **Crisis Respite Units for Youth.** \$5,750,000 in each fiscal year in Strategy D.2.3, Community Mental Health Crisis Services (CMHCS), to fund four additional crisis respite units that serve youth and to pilot three peer-run units.
- (3) **Youth Mobile Crisis Outreach Teams.** \$4,000,000 in each fiscal year in Strategy D.2.3, Community Mental Health Crisis Services (CMHCS), to establish youth mobile crisis outreach teams to reduce the risk of hospitalization from acute mental health illness and transition youth into care.

(e) Expansion of Programs for High-Risk Children.

- (1) **Multisystemic Therapy.** \$15,225,000 in each fiscal year in Strategy D.2.2, Community Mental Health Services (MHS) for Children, to expand multisystemic therapy, which provides community-based treatment for at-risk youth with intensive needs and their families.
- (2) **Coordinated Specialty Care.** \$2,100,000 in each fiscal year in Strategy D.2.1, Community Mental Health Services (MHS) for Adults, to expand coordinated specialty care, which provides outpatient behavioral health services to persons experiencing an early onset of psychosis.
- (3) **Mental Health Services for the Uvalde Community.** \$5,000,000 in each fiscal year in Strategy D.2.1, Community Mental Health Services (MHS) for Adults, to partner with the Hill Country Local Mental Health Authority to provide ongoing mental health services support for the Uvalde community.
- (4) **Youth Empowerment Services (YES) Waiver Rates.** \$600,000 in each fiscal year in

HEALTH AND HUMAN SERVICES COMMISSION

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Strategy D.2.5, Behavioral Health Waiver and Plan Amendment, to increase rates for the YES waiver.

(5) **Community Resource Coordination Groups (CRCGs).** \$1,421,000 in each fiscal year in Strategy F.3.3, Additional Advocacy Programs, to expand coverage of CRCGs statewide.

(f) **Behavioral Health Administration.**

(1) **Contracted Inpatient Bed Administration.** \$585,121 in fiscal year 2024 and \$546,259 in fiscal year 2025 in Strategy D.2.7, Community Behavioral Health Administration, for administration and oversight funds for new contracted inpatient beds.

(2) **Community Mental Health Grant Programs Administration.** \$535,658 in fiscal year 2024 and \$485,025 in fiscal year 2025 in Strategy D.2.7, Community Behavioral Health Administration, for administration and oversight funds for new funding for community mental health grant programs.

(3) **Budget Execution Order Sustainability.** \$411,332 in fiscal year 2024 and \$365,585 in fiscal year 2025 in Strategy D.2.7, Community Behavioral Health Administration, for administration and oversight funds for new funding for multisystemic therapy, coordinated specialty care, and mental health services in the Uvalde area.

(4) **Crisis Services Administration.** \$345,191 in fiscal year 2024 and \$321,875 in fiscal year 2025 in Strategy D.2.7, Community Behavioral Health Administration, for administration and oversight funds for new funding for community mental health crisis services.

(5) **Innovation Grants Administration.** \$88,079 in fiscal year 2024 and \$80,306 in fiscal year 2025 in Strategy D.2.7, Community Behavioral Health Administration, for administration and oversight funds for new funding for innovation grants.

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48. 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: \$41,490,671 in General Revenue Funds and \$87,648,626 in Federal Funds (\$129,139,297 in All Funds) in fiscal year 2024 and \$44,339,779 in General Revenue Funds and \$95,139,833 in Federal Funds (\$139,479,612 in All Funds) in fiscal year 2025;
- (b) Family Planning Program (FPP): \$70,749,255 in General Revenue Funds and \$3,930,728 in Federal Funds (\$74,679,983 in All Funds) in fiscal year 2024 and \$66,354,630 in General Revenue Funds and \$3,930,728 in Federal Funds (\$70,285,358 in All Funds) in fiscal year 2025; and
- (c) Breast and Cervical Cancer Services (BCCS): \$3,929,381 in General Revenue Funds and \$8,379,719 in Federal Funds (\$12,309,100 in All Funds) in each fiscal year. Out of funds appropriated above in Strategy D.1.1, Women's Health Programs, the Health and Human Services Commission shall increase the income eligibility threshold for the Breast and Cervical Cancer Services program to 250 percent of the federal poverty level.

Nothing in 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.

In the event federal funds identified above 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.

50. 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: \$41,490,671 in General Revenue Funds and \$87,648,626 in Federal Funds (\$129,139,297 in All Funds) in fiscal year 2024 and \$44,339,779 in General Revenue Funds and \$95,139,833 in Federal Funds (\$139,479,612 in All Funds) in fiscal year 2025;
- (b) Family Planning Program (FPP): \$65,749,255 in General Revenue Funds and \$3,930,728 in Federal Funds (\$69,679,983 in All Funds) in fiscal year 2024 and \$61,354,630 in General Revenue Funds and \$3,930,728 in Federal Funds (\$65,285,358 in All Funds) in fiscal year 2025; and
- (c) Breast and Cervical Cancer Services (BCCS): \$3,429,381 in General Revenue Funds and \$8,379,719 in Federal Funds (\$11,809,100 in All Funds) in each fiscal year.

Nothing in 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.

In the event federal funds identified above 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.

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

- (a) Included in appropriations above in Strategy F.3.2, Child Advocacy Programs, is \$29,827,834 in General Revenue, \$5,000,000 in General Revenue - Dedicated Sexual Assault Program Account No. 5010, and \$6,948,063 in Federal Funds in each fiscal year for the purpose of entering into a contract with a statewide organization that shall provide training, technical assistance, evaluation services, and funds administration to support contractual requirements for local children's advocacy center programs. The statewide organization must be exempt from federal income taxation and be composed of individuals or groups of individuals who have expertise in the establishment and operation of children's advocacy center programs. Amounts include \$1,000,000 in General Revenue each fiscal year, not subject to Texas Family Code 264.409(b), to implement regional support centers to support the execution of Texas Family Code 264, Subchapter E.
- (b) Included in appropriations above in Strategy F.3.2, Child Advocacy Programs, is \$15,950,500 in General Revenue and \$13,500 in License Plate Trust Fund Account No. 0802 in each fiscal year for the purpose of entering into a contract with a statewide organization that shall provide training, technical assistance, and evaluation services for the benefit of local volunteer advocate programs. The statewide organization must be exempt from federal income taxation and be composed of individuals or groups of individuals who have expertise in the dynamics of child abuse and neglect and experience in operating volunteer advocate programs.
- (c) Unexpended balances in Strategy F.3.2, Child Advocacy Programs, remaining at the end of the first fiscal year of the biennium are appropriated for the same purposes for the second fiscal year of the biennium.
- (d) No later than December 1 of each fiscal year, the Health and Human Services Commission shall submit a report detailing the expenditures of funds appropriated in Strategy F.3.2, Child Advocacy Programs. The report shall include information demonstrating continuity of service from the previous fiscal year, services provided and the number of children for whom the services were provided, the amount of grants awarded in each of the categories listed above, the amount of expenditures for administration, the amount of expenditures from General Revenue - Dedicated Sexual Assault Program Account No. 5010, oversight activities conducted relating to the child advocacy programs, and an analysis of the effectiveness of

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

- (a) Included in appropriations above in Strategy F.3.2, Child Advocacy Programs, is \$29,827,834 in General Revenue, \$5,000,000 in General Revenue - Dedicated Sexual Assault Program Account No. 5010, and \$6,948,063 in Federal Funds in each fiscal year for the purpose of entering into a contract with a statewide organization that shall provide training, technical assistance, evaluation services, and funds administration to support contractual requirements for local children's advocacy center programs. The statewide organization must be exempt from federal income taxation and be composed of individuals or groups of individuals who have expertise in the establishment and operation of children's advocacy center programs. Amounts include \$1,000,000 in General Revenue each fiscal year for the purpose of contracting with a statewide organization as described in Texas Family Code 264.409(a) to implement regional support centers to support the execution of Texas Family Code 264, Subchapter E.
- (b) Included in appropriations above in Strategy F.3.2, Child Advocacy Programs, is \$15,950,500 in General Revenue and \$13,500 in License Plate Trust Fund Account No. 0802 in each fiscal year for the purpose of entering into a contract with a statewide organization that shall provide training, technical assistance, and evaluation services for the benefit of local volunteer advocate programs. The statewide organization must be exempt from federal income taxation and be composed of individuals or groups of individuals who have expertise in the dynamics of child abuse and neglect and experience in operating volunteer advocate programs.
- (c) Unexpended balances in Strategy F.3.2, Child Advocacy Programs, remaining at the end of the first fiscal year of the biennium are appropriated for the same purposes for the second fiscal year of the biennium.
- (d) No later than December 1 of each fiscal year, the Health and Human Services Commission shall submit a report detailing the expenditures of funds appropriated in Strategy F.3.2, Child Advocacy Programs. The report shall include information demonstrating continuity of service from the previous fiscal year, services provided and the number of children for whom the services were provided, the amount of grants awarded in each of the categories listed above, the amount of expenditures for administration, the amount of expenditures from General Revenue - Dedicated Sexual Assault Program Account No. 5010, oversight activities

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the contracts awarded in subsections (a) and (b). The report shall be submitted to the Legislative Budget Board, the Governor's Office, the Senate Finance Committee, and the House Appropriations Committee.

63. Multi-Assistance Center Demonstration Project.

- (a) Included in amounts appropriated above to the Health and Human Services Commission is \$3,750,000 in General Revenue in each fiscal year in Strategy D.1.10, Additional Specialty Care, to 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 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.
- (b) Notwithstanding the limitations in Rider 95, 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.

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conducted relating to the child advocacy programs, and an analysis of the effectiveness of the contracts awarded in subsections (a) and (b). The report shall be submitted to the Legislative Budget Board, the Governor's Office, the Senate Finance Committee, and the House Appropriations Committee.

65. Multi-Assistance Center Demonstration Project.

- (a) Included in amounts appropriated above to the Health and Human Services Commission is \$3,750,000 in General Revenue in each fiscal year in Strategy D.1.10, Additional Specialty Care, to 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 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.
- (b) Notwithstanding the limitations in Rider 97, 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.
- (c) HHSC shall identify and pursue opportunities to use any available Federal or other non-General Revenue source of funds to implement this project and shall coordinate with the project on opportunities to implement the model elsewhere in the state. HHSC shall, to the extent possible, seek a waiver or other permission from the Centers for Medicare and Medicaid Services to authorize General Revenue appropriated for this initiative and expended to support Medicaid clients to be matched by Federal Funds. To the extent such Federal Funds are accessed, they shall be expended solely on this project.

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OFFICE OF INSPECTOR GENERAL

76. Office of Inspector General Report. Out of funds appropriated above in Strategy K.1.1, Office of Inspector General, the Office of Inspector General shall submit, on a quarterly basis, the following information related to the expansion of managed care to the Legislative Budget Board and the Office of the Governor:

- (a) The challenges the Office of Inspector General is encountering in preventing, detecting, and investigating fraud, waste, and abuse throughout the entire health and human services system, including verification of services, compliance of Managed Care Organizations with program integrity requirements, quality and accuracy of encounter data, collaborative efforts with Special Investigation Units, audits of Managed Care Organizations, and any deficiencies in the agency's statutory authority;
- (b) Strategies the Office of Inspector General is implementing to address the challenges encountered in combating fraud, waste, and abuse throughout the entire health and human services system;
- (c) Average number of clients in the lock-in program in each quarter of the fiscal year and the fiscal year total in the fourth quarterly report of the fiscal year;
- (d) Total dollars identified (millions) of potential overpayments identified for recovery resulting from activities of the Office of the Inspector General, including under the Medicaid managed care program in accordance with Government Code, Section 531.117;
- (e) Total number of skills trainings presented by Office of the Inspector General staff or external entities to internal staff, and trainings presented by Office of the Inspector General staff to external stakeholders; and
- (f) The number of referrals to the Office of the Attorney General's Medicaid Fraud Control Unit including the fiscal year total in the fourth quarterly report of the fiscal year.

The Office of Inspector General may submit the above information in an individual report prepared in a format specified by the Legislative Budget Board or include the information in the quarterly report required pursuant to Government Code, Section 531.102.

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OFFICE OF INSPECTOR GENERAL

78. Office of Inspector General Report. Out of funds appropriated above in Strategy K.1.1, Office of Inspector General, the Office of Inspector General shall submit, on a quarterly basis, the following information related to the expansion of managed care to the Legislative Budget Board and the Office of the Governor:

- (a) The challenges the Office of Inspector General is encountering in preventing, detecting, and investigating fraud, waste, and abuse throughout the entire health and human services system, including verification of services, compliance of Managed Care Organizations with program integrity requirements, quality and accuracy of encounter data, collaborative efforts with Special Investigation Units, audits of Managed Care Organizations, and any deficiencies in the agency's statutory authority;
- (b) Strategies the Office of Inspector General is implementing to address the challenges encountered in combating fraud, waste, and abuse throughout the entire health and human services system;
- (c) Average number of clients in the lock-in program in each quarter of the fiscal year and the fiscal year total in the fourth quarterly report of the fiscal year;
- (d) Total dollars identified (millions) of potential overpayments identified for recovery resulting from activities of the Office of the Inspector General;
- (e) Total number of skills trainings presented by Office of the Inspector General staff or external entities to internal staff, and trainings presented by Office of the Inspector General staff to external stakeholders; and
- (f) The number of referrals to the Office of the Attorney General's Medicaid Fraud Control Unit including the fiscal year total in the fourth quarterly report of the fiscal year.

The Office of Inspector General may submit the above information in an individual report prepared in a format specified by the Legislative Budget Board or include the information in the quarterly report required pursuant to Government Code, Section 531.102.

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TEXAS CIVIL COMMITMENT OFFICE

79. Texas Civil Commitment Office.

- (a) **Full Time Equivalents (FTEs).** The number of FTEs for the Texas Civil Commitment Office (TCCO) is 37.0 in each year of the biennium.
- (b) Any unexpended balances remaining on August 31, 2024, in Strategy M.1.1, Texas Civil Commitment Office, are appropriated for the same purposes for the fiscal year beginning September 1, 2024, contingent upon the agency providing written notification to the Legislative Budget Board and the Office of the Governor at least 30 days prior to making the transfer.
- (c) **Quarterly Reports.** TCCO shall submit quarterly status reports to the Legislative Budget Board and the Office of the Governor 30 days after the end of each quarter that include the number and placement of civilly committed individuals and the number and outcome of civil commitment trials within the reporting period. Additional information shall be included at the request of the Legislative Budget Board.
- (d) **Appropriation Transfers Between Fiscal Years.** TCCO may transfer appropriations made for the fiscal year ending August 31, 2025, to the fiscal year ending August 31, 2024, subject to the following conditions:
 - (1) Transfers under this rider may be made only if expenditures to supervise and treat civilly committed individuals exceed the funds appropriated for these services due to higher than anticipated caseloads in fiscal year 2024; and
 - (2) A transfer authorized by this rider must receive prior written approval of the Legislative Budget Board and the Office of the Governor.
- (e) **Health Care Costs.** Included in amounts appropriated above in Strategy M.1.1, Texas Civil Commitment Office, is \$771,080 in General Revenue in each fiscal year of the biennium for TCCO to provide health care not covered under contract to civilly committed residents of a

TEXAS CIVIL COMMITMENT OFFICE

81. Texas Civil Commitment Office.

- (a) **Full Time Equivalents (FTEs).** The number of FTEs for the Texas Civil Commitment Office (TCCO) is 41.0 in each year of the biennium.
- (b) Any unexpended balances remaining on August 31, 2024, in Strategy M.1.1, Texas Civil Commitment Office, are appropriated for the same purposes for the fiscal year beginning September 1, 2024, contingent upon the agency providing written notification to the Legislative Budget Board and the Office of the Governor at least 30 days prior to making the transfer.
- (c) **Quarterly Reports.** TCCO shall submit quarterly status reports to the Legislative Budget Board and the Office of the Governor 30 days after the end of each quarter that include the number and placement of civilly committed individuals and the number and outcome of civil commitment trials within the reporting period. Additional information shall be included at the request of the Legislative Budget Board.
- (d) **Appropriation Transfers Between Fiscal Years.** TCCO may transfer appropriations made for the fiscal year ending August 31, 2025, to the fiscal year ending August 31, 2024, subject to the following conditions:
 - (1) Transfers under this rider may be made only if expenditures to supervise and treat civilly committed individuals exceed the funds appropriated for these services due to higher than anticipated caseloads in fiscal year 2024, including to cover expenditures to provide health care not covered under contract; and
 - (2) A transfer authorized by this rider must receive prior written approval of the Legislative Budget Board and the Office of the Governor.
- (e) **Health Care Costs.** Included in amounts appropriated above in Strategy M.1.1, Texas Civil Commitment Office, is \$1,851,685 in General Revenue in each fiscal year of the biennium

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housing facility either operated by or contracted for by TCCO. TCCO shall submit a report to the Legislative Budget Board and the Office of the Governor on medical costs covered under contract for the Texas Civil Commitment Center, and health care costs that are not covered under contract within 60 days of the end of each fiscal quarter. The format and content of the report shall be prescribed by the Legislative Budget Board.

TRANSFERS

95. Limitations on Transfer Authority.

- (a) **Limitations on Transfers for Goal A, Medicaid Client Services, and Goal C, CHIP Client Services.**
 - (1) Notwithstanding Article IX, Section 14.01, Appropriation Transfers, Article IX, Section 14.03, Transfers - Capital Budget, and Article II, Special Provisions Section 6, Limitations on Transfer Authority, funds appropriated by this Act to the Health and Human Services Commission (HHSC) for the following goals shall be governed by the specific limitations included in this subsection.
 - (A) **Goal A, Medicaid Client Services.** Transfers may be made between strategies in Goal A, Medicaid Client Services (excluding Strategies A.3.1, Home and Community-based Services; A.3.2, Community Living Assistance (CLASS); A.3.3, Deaf-Blind Multiple Disabilities; A.3.4, Texas Home Living Waiver; and A.3.5, All-Inclusive Care-Elderly), subject to the notification requirements in subsection (a)(2) of this rider. Transfers may not be made to strategies in Goal A, Medicaid Client Services, from strategies in other goals nor from strategies in Goal A, Medicaid Client Services, to strategies in other goals without prior written approval from the Legislative Budget Board and the Office of the Governor pursuant to subsection (a)(3) of this rider.
 - (B) **Community Care Waivers and Other Medicaid Non-Entitlement Services (Goal A).** Without prior written approval from the Legislative Budget Board and the Office of the Governor pursuant to subsection (a)(3) of this rider, transfers

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for TCCO to provide health care not covered under contract to civilly committed residents of a housing facility either operated by or contracted for by TCCO. TCCO shall submit a report to the Legislative Budget Board and the Office of the Governor on medical costs covered under contract for the Texas Civil Commitment Center, and health care costs that are not covered under contract within 60 days of the end of each fiscal quarter. The format and content of the report shall be prescribed by the Legislative Budget Board.

TRANSFERS

97. Limitations on Transfer Authority.

- (a) **Limitations on Transfers for Goal A, Medicaid Client Services, and Goal C, CHIP Client Services.**
 - (1) Notwithstanding Article IX, Section 14.01, Appropriation Transfers, Article IX, Section 14.03, Transfers - Capital Budget, and Article II, Special Provisions Section 6, Limitations on Transfer Authority, funds appropriated by this Act to the Health and Human Services Commission (HHSC) for the following goals shall be governed by the specific limitations included in this subsection.
 - (A) **Goal A, Medicaid Client Services.** Transfers may be made between strategies in Goal A, Medicaid Client Services (excluding Strategies A.3.1, Home and Community-based Services; A.3.2, Community Living Assistance (CLASS); A.3.3, Deaf-Blind Multiple Disabilities; A.3.4, Texas Home Living Waiver; and A.3.5, All-Inclusive Care-Elderly), subject to the notification requirements in subsection (a)(2) of this rider. Transfers may not be made to strategies in Goal A, Medicaid Client Services, from strategies in other goals nor from strategies in Goal A, Medicaid Client Services, to strategies in other goals without prior written approval from the Legislative Budget Board and the Office of the Governor pursuant to subsection (a)(3) of this rider.
 - (B) **Community Care Waivers and Other Medicaid Non-Entitlement Services (Goal A).** Without prior written approval from the Legislative Budget Board and the Office of the Governor pursuant to subsection (a)(3) of this rider, transfers

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may not be made:

- (i) between strategies listed below in this subdivision (B); or
- (ii) to or from strategies listed below in this subdivision (B).

A.3.1, Home and Community-based Services;
A.3.2, Community Living Assistance (CLASS);
A.3.3, Deaf-Blind Multiple Disabilities;
A.3.4, Texas Home Living Waiver; and
A.3.5, All-Inclusive Care-Elderly.

- (C) **Goal C, CHIP Client Services.** Transfers may not be made to Goal C, CHIP Client Services, from strategies in other goals nor from Goal C, CHIP Client Services, to strategies in other goals without prior written approval from the Legislative Budget Board and the Office of the Governor pursuant to Subsection (a)(3) of this rider.
- (2) **Notification Requirements.** Authority granted by this subsection to transfer funds without written approval is contingent upon a written notification from HHSC to the Legislative Budget Board and the Office of the Governor at least 30 business days prior to the transfer, and shall include the following information:
 - (A) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
 - (B) the names of the originating and receiving strategies and the method of financing for each strategy by fiscal year; and
 - (C) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies.
- (3) **Requests for Transfers that Require Approval.** To request a transfer, HHSC shall submit a written request to the Legislative Budget Board and the Office of the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts (CPA). The request shall include the following

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may not be made:

- (i) between strategies listed below in this subdivision (B); or
- (ii) to or from strategies listed below in this subdivision (B).

A.3.1, Home and Community-based Services;
A.3.2, Community Living Assistance (CLASS);
A.3.3, Deaf-Blind Multiple Disabilities;
A.3.4, Texas Home Living Waiver; and
A.3.5, All-Inclusive Care-Elderly.

- (C) **Goal C, CHIP Client Services.** Transfers may not be made to Goal C, CHIP Client Services, from strategies in other goals nor from Goal C, CHIP Client Services, to strategies in other goals without prior written approval from the Legislative Budget Board and the Office of the Governor pursuant to Subsection (a)(3) of this rider.
- (2) **Notification Requirements.** Authority granted by this subsection to transfer funds without written approval is contingent upon a written notification from HHSC to the Legislative Budget Board and the Office of the Governor at least 30 business days prior to the transfer, and shall include the following information:
 - (A) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
 - (B) the names of the originating and receiving strategies and the method of financing for each strategy by fiscal year; and
 - (C) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies.
- (3) **Requests for Transfers that Require Approval.** To request a transfer, HHSC shall submit a written request to the Legislative Budget Board and the Office of the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts (CPA). The request shall include the following

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information:

- (A) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
- (B) the names of the originating and receiving strategies and the method of financing for each strategy by fiscal year; and
- (C) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies.

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

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

- (b) **Limitations on Transfers within/between Other Goals.** Notwithstanding Article IX, Section 14.01, Appropriation Transfers, HHSC is authorized to make transfers of funding, full-time equivalents (FTEs), and capital budget authority between strategies, subject to the following requirements:

- (1) Authority granted by this subsection to transfer funding, FTEs, or capital budget authority is contingent upon a written notification from HHSC to the Legislative Budget Board and the Office of the Governor at least 30 business days prior to the transfer. Notification provided under this subsection must include the following information:
 - (A) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
 - (B) the names of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;

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information:

- (A) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
- (B) the names of the originating and receiving strategies and the method of financing for each strategy by fiscal year; and
- (C) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies.

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

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

- (b) **Limitations on Transfers within/between Other Goals.** Notwithstanding Article IX, Section 14.01, Appropriation Transfers, and Article IX, Section 14.03, Transfers - Capital Budget, HHSC is authorized to make transfers of funding, full-time equivalents (FTEs), and capital budget authority between strategies, subject to the following requirements:

- (1) Authority granted by this subsection to transfer funding, FTEs, or capital budget authority is contingent upon a written notification from HHSC to the Legislative Budget Board and the Office of the Governor at least 30 business days prior to the transfer. Notification provided under this subsection must include the following information:
 - (A) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
 - (B) the names of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;

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- (C) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and receiving strategies; and
- (D) the capital budget impact.
- (2) Notwithstanding Article II, Special Provisions, Section 6, Limitations on Transfer Authority; Article IX, Section 14.01, Appropriation Transfers; and subsection (b)(1) of this rider, HHSC may not make any transfers out of Strategy D.1.2, Alternatives to Abortion.
- (3) Notwithstanding Article II, Special Provisions, Section 6, Limitations on Transfer Authority; Article IX, Section 14.01, Appropriations Transfers; and subsection (b)(1) of this rider, any transfers that exceed the lesser of \$1,000,000 or 20.0 percent of the originating strategy in either fiscal year; FTE adjustments of more than 10.0 FTEs in either fiscal year; or transfers in any amount into or out of: (1) Strategy B.1.1, Medicaid & CHIP Contracts & Administration; (2) Strategy D.1.1, Women's Health Programs; (3) Strategy D.1.3, ECI Services; (4) Strategy D.1.4, ECI Respite; (5) Strategy D.1.6, Autism Program; (6) Strategy D.1.7, Children with Special Health Care Needs; (7) Strategy F.3.2, Child Advocacy Programs; (8) Strategy G.1.1, State Supported Living Centers; and (9) Strategies in Goal L, System Oversight & Program Support, are subject to the prior written approval of the Legislative Budget Board and the Office of the Governor.
- (A) To request a transfer, HHSC shall submit a written request to the Legislative Budget Board and the Office of 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:
 - (i) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
 - (ii) the name of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
 - (iii) an estimate of performance levels and, where relevant, a comparison to

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- (C) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and receiving strategies; and
- (D) the capital budget impact.
- (2) Notwithstanding Article II, Special Provisions, Section 6, Limitations on Transfer Authority; Article IX, Section 14.01, Appropriation Transfers; and subsection (b)(1) of this rider, HHSC may not make any transfers out of Strategy D.1.2, Alternatives to Abortion.
- (3) Notwithstanding Article II, Special Provisions, Section 6, Limitations on Transfer Authority; Article IX, Section 14.01, Appropriations Transfers; Article IX, Section 14.03, Transfers - Capital Budget; and subsection (b)(1) of this rider, any transfers that exceed the lesser of \$1,000,000 or 20.0 percent of the originating strategy in either fiscal year; FTE adjustments of more than 10.0 FTEs in either fiscal year; capital budget authority that exceeds \$100,000; or transfers in any amount into or out of: (1) Strategy B.1.1, Medicaid & CHIP Contracts & Administration; (2) Strategy D.1.1, Women's Health Programs; (3) Strategy D.1.3, ECI Services; (4) Strategy D.1.4, ECI Respite; (5) Strategy D.1.6, Autism Program; (6) Strategy D.1.7, Children with Special Health Care Needs; (7) Strategy F.3.2, Child Advocacy Programs; (8) Strategy G.1.1, State Supported Living Centers; and (9) Strategies in Goal L, System Oversight & Program Support, are subject to the prior written approval of the Legislative Budget Board and the Office of the Governor.
- (A) To request a transfer, HHSC shall submit a written request to the Legislative Budget Board and the Office of 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:
 - (i) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
 - (ii) the name of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;

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targets included in this Act for both the originating and receiving strategies;
and

(iv) the capital budget impact.

- (4) Notwithstanding subsection (b)(3) of this rider, transfers may be made between strategies in Goal L, System Oversight & Program Support. HHSC shall provide notification of all transfers pursuant to subsection (b)(1) of this rider.
- (5) Notwithstanding subsection (a)(1)(A) and subsection (b)(3) of this rider, and contingent on revenues generated from certain contingency or Recovery Audit Contractor based contracts in the Medicaid program exceeding the amounts assumed in appropriations above as Medicaid Subrogation Receipts Account No. 8044 in Strategy A.1.5, Children, transfers may be made from Strategy A.1.5, Children, to Strategy B.1.1, Medicaid & CHIP Contracts & Administration, solely to provide for an increase in contingency fees for a contract resulting from higher than anticipated revenue collections. This authority is limited to contracts that result in revenue collections that are deposited as Medicaid Subrogation Receipts Account No. 8044 and shall not be used to increase the percentage of revenue collections retained by a contractor pursuant to existing contracts and applicable state and federal law. HHSC shall provide written notification of all transfers to the Legislative Budget Board and the Office of the Governor within 30 calendar days of making a transfer.
- (6) In addition to the notice required by this subsection, the total of all transfers from a strategy may not exceed the lesser of \$1,000,000 or 20.0 percent of the originating item of appropriation for funding for the fiscal year without prior written approval of the Legislative Budget Board and the Office of the Governor. The approval requirement contained in this subsection does not apply to transfers to which subsection (b)(5) also applies.
- (c) In the case of disaster or other emergency, this provision is superseded by the emergency-related transfer authority in Article IX of this Act.

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

(iv) the capital budget impact.

- (4) Notwithstanding subsection (b)(3) of this rider, transfers may be made between strategies in Goal L, System Oversight & Program Support. HHSC shall provide notification of all transfers pursuant to subsection (b)(1) of this rider.
- (5) Notwithstanding subsection (a)(1)(A) and subsection (b)(3) of this rider, and contingent on revenues generated from certain contingency or Recovery Audit Contractor based contracts in the Medicaid program exceeding the amounts assumed in appropriations above as Medicaid Subrogation Receipts Account No. 8044 in Strategy A.1.5, Children, transfers may be made from Strategy A.1.5, Children, to Strategy B.1.1, Medicaid & CHIP Contracts & Administration, solely to provide for an increase in contingency fees for a contract resulting from higher than anticipated revenue collections. This authority is limited to contracts that result in revenue collections that are deposited as Medicaid Subrogation Receipts Account No. 8044 and shall not be used to increase the percentage of revenue collections retained by a contractor pursuant to existing contracts and applicable state and federal law. HHSC shall provide written notification of all transfers to the Legislative Budget Board and the Office of the Governor within 30 calendar days of making a transfer.
- (6) In addition to the notice required by this subsection, the total of all transfers from a strategy may not exceed the lesser of \$1,000,000 or 20.0 percent of the originating item of appropriation for funding for the fiscal year without prior written approval of the Legislative Budget Board and the Office of the Governor. The approval requirement contained in this subsection does not apply to transfers to which subsection (b)(5) also applies.
- (c) In the case of disaster or other emergency, this provision is superseded by the emergency-related transfer authority in Article IX of this Act.

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100. Unexpended Construction Balances.

- (a) Included in the amounts appropriated above to the Health and Human Services Commission (HHSC) are unexpended and unobligated balances for construction, repairs and renovations, and deferred maintenance at the state hospitals and State Supported Living Centers remaining as of August 31, 2023, (estimated to be \$0) for the 2024-25 biennium in Strategy G.4.2, Facility Capital Repairs and Renovation.

Any unexpended balances described herein and remaining as of August 31, 2024, are appropriated to HHSC for the fiscal year beginning September 1, 2024, for the same purpose.

- (b) HHSC shall submit a report by March 1 and September 1 of each fiscal year to the Legislative Budget Board and the Office of the Governor. The report shall include actual expenditures of construction appropriations in the previous fiscal biennium and planned expenditures in the current fiscal biennium. The report shall provide the information by project and facility.

104. Appropriation of Unexpended Balances: Funds Recouped from Local Authorities.

Notwithstanding other provisions of this Act, any state funds appropriated for fiscal year 2024 recouped by the Health and Human Services Commission from a local mental health authority, local behavioral health authority, or local intellectual and developmental disability authority for failing to fulfill its performance contract with the State, are appropriated to the agency, to reallocate to other local authorities in fiscal year 2025.

HHSC shall provide a report to the Legislative Budget Board and the Office of the Governor by December 15, 2024, that includes the amount of the recoupment by strategy, the reasons for the recoupment, the local authorities involved, any performance contract requirements that were not met, and the purposes of the reallocation.

102. Unexpended Construction Balances.

- (a) Included in the amounts appropriated above are unexpended and unobligated balances of MLPP Revenue Bond Proceeds remaining as of August 31, 2023, (estimated to be \$0) for deferred maintenance at state hospitals and state supported living centers for the 2024-25 biennium in Strategy G.4.2, Facility Capital Repairs and Renovation.

Any unexpended and unobligated balances in MLPP Revenue Bond Proceeds described in this subsection and remaining as of August 31, 2024, are appropriated to HHSC for the fiscal year beginning September 1, 2024, for the same purpose.

- (b) HHSC shall submit a report by March 1 and September 1 of each fiscal year to the Legislative Budget Board and the Office of the Governor. The report shall include actual expenditures of construction appropriations in the previous fiscal biennium and planned expenditures in the current fiscal biennium. The report shall provide the information by project and facility.

106. Appropriation of Unexpended Balances: Funds Recouped from Local Authorities.

Notwithstanding other provisions of this Act, any state funds appropriated for fiscal year 2024 recouped by the Health and Human Services Commission from a local mental health authority, local behavioral health authority, or local intellectual and developmental disability authority for failing to fulfill its performance contract with the State, are appropriated for the same strategy, to reallocate to other local authorities in fiscal year 2025.

HHSC shall provide a report to the Legislative Budget Board and the Office of the Governor by December 15, 2024, that includes the amount of the recoupment by strategy, the reasons for the recoupment, the local authorities involved, any performance contract requirements that were not met, and the purposes of the reallocation.

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(Continued)

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115. Community Centers. If the Health and Human Services Commission (HHSC) determines that a community center, as defined in the Texas Health and Safety Code, Section 534.001(a) and Section 534.001(b), is unable or unwilling to fulfill its contractual obligations to provide services or to exercise adequate control over expenditures and assets, HHSC may take necessary steps, including the appointment of a management team as authorized by Health and Safety Code, Sections 534.038 through 534.040 and recoupment of funds, to protect the funds appropriated under this Act and ensure the continued provision of services. Any recouped funds shall be used to achieve equity. In conjunction with the reallocation of funds, HHSC shall provide a report to the Legislative Budget Board and the Office of the Governor on the amount of funds, the reasons for the recoupment, the local authorities involved, any performance contract requirements that were not met, and the purposes of the reallocation.

COMMITTEE SUBSTITUTE FOR HOUSE BILL 1: NEW RIDERS

117. Informational Listing: End-of-year Waiver Slots Funding. This rider is informational only and does not make any appropriations. Appropriations above in Goal A, Medicaid Client Services, include the following:

- (a) Strategy A.1.1, Aged and Medicare-Related; Strategy A.1.2, Disability-Related, STAR+PLUS Home and Community-based Services: \$830,741,883 in General Revenue Funds and \$1,254,586,120 in Federal Funds (\$2,085,328,003 in All Funds) in fiscal year 2024 for 60,554 end-of-year waiver slots and \$870,663,982 in General Revenue Funds and \$1,304,815,388 in Federal Funds (\$2,175,479,370 in All Funds) in fiscal year 2025 for 62,902 end-of-year waiver slots;
- (b) Strategy A.1.2, Disability-Related, Medically Dependent Children Program: \$406,823,918 in General Revenue Funds and \$617,149,433 in Federal Funds (\$1,023,973,351 in All Funds) in fiscal year 2024 for 6,031 end-of-year waiver slots and \$419,266,375 in General Revenue Funds and \$636,766,294 in Federal Funds (\$1,056,032,669 in All Funds) in fiscal year 2025 for 6,095 end-of-year waiver slots;
- (c) Strategy A.3.1, Home and Community-based Services: \$636,170,032 in General Revenue Funds and \$819,541,428 in Federal Funds (\$1,455,711,460 in All Funds) in fiscal year 2024 and \$648,464,061 in General Revenue Funds and \$835,042,367 in Federal Funds

SENATE COMMITTEE SUBSTITUTE FOR HOUSE BILL 1: NEW RIDERS

120. Informational Listing: End-of-year Waiver Slots Funding. This rider is informational only and does not make any appropriations. Appropriations above in Goal A, Medicaid Client Services, include the following:

- (a) Strategy A.1.1, Aged and Medicare-Related; Strategy A.1.2, Disability-Related, STAR+PLUS Home and Community-based Services: \$829,367,593 in General Revenue Funds and \$1,250,660,410 in Federal Funds (\$2,080,028,003 in All Funds) in fiscal year 2024 for 60,186 end-of-year waiver slots and \$866,541,112 in General Revenue Funds and \$1,293,038,258 in Federal Funds (\$2,159,579,370 in All Funds) in fiscal year 2025 for 62,534 end-of-year waiver slots;
- (b) Strategy A.1.2, Disability-Related, Medically Dependent Children Program: \$407,272,874 in General Revenue Funds and \$614,272,231 in Federal Funds (\$1,021,545,105 in All Funds) in fiscal year 2024 for 6,023 end-of-year waiver slots and \$420,815,105 in General Revenue Funds and \$627,933,530 in Federal Funds (\$1,048,748,635 in All Funds) in fiscal year 2025 for 6,087 end-of-year waiver slots;
- (c) Strategy A.3.1, Home and Community-based Services: \$546,604,233 in General Revenue Funds and \$850,233,880 in Federal Funds (\$1,396,838,113 in All Funds) in fiscal year 2024 and \$562,268,066 in General Revenue Funds and \$865,736,732 in Federal Funds

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(\$1,483,506,428 in All Funds) in fiscal year 2025 for 29,877 end-of-year waiver slots;

- (d) Strategy A.3.2, Community Living Assistance: \$142,404,699 in General Revenue Funds and \$252,314,365 in Federal Funds (\$394,719,064 in All Funds) in fiscal year 2024 and \$145,735,092 in General Revenue Funds and \$256,198,634 in Federal Funds (\$401,933,726 in All Funds) in fiscal year 2025 for 6,572 end-of-year waiver slots;
- (e) Strategy A.3.3, Deaf-Blind Multiple Disabilities: \$9,101,258 in General Revenue Funds and \$14,809,263 in Federal Funds (\$23,910,521 in All Funds) in fiscal year and \$9,293,417 in General Revenue Funds and \$15,117,103 in Federal Funds (\$24,410,520 in All Funds) in fiscal year 2025 for 323 end-of-year waiver slots; and
- (f) Strategy A.3.4, Texas Home Living: \$31,563,436 in General Revenue Funds and \$55,222,637 in Federal Funds (\$86,786,073 in All Funds) in fiscal year and \$32,285,082 in General Revenue Funds and \$56,073,266 in Federal Funds (\$88,358,348 in All Funds) in fiscal year 2025 for 3,066 end-of-year waiver slots.

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(\$1,428,004,798 in All Funds) in fiscal year 2025 for 30,185 end-of-year waiver slots;

- (d) Strategy A.3.2, Community Living Assistance: \$151,455,013 in General Revenue Funds and \$269,637,537 in Federal Funds (\$421,092,550 in All Funds) in fiscal year 2024 and \$154,946,527 in General Revenue Funds and \$273,043,879 in Federal Funds (\$427,990,406 in All Funds) in fiscal year 2025 for 6,599 end-of-year waiver slots;
- (e) Strategy A.3.3, Deaf-Blind Multiple Disabilities: \$9,304,167 in General Revenue Funds and \$15,062,318 in Federal Funds (\$24,366,485 in All Funds) in fiscal year and \$9,511,975 in General Revenue Funds and \$15,226,827 in Federal Funds (\$24,738,802 in All Funds) in fiscal year 2025 for 323 end-of-year waiver slots; and
- (f) Strategy A.3.4, Texas Home Living: \$33,205,062 in General Revenue Funds and \$58,048,667 in Federal Funds (\$91,253,729 in All Funds) in fiscal year and \$35,284,056 in General Revenue Funds and \$61,132,285 in Federal Funds (\$96,416,341 in All Funds) in fiscal year 2025 for 3,292 end-of-year waiver slots.

Appropriations and end-of-year waiver slots above include an additional \$50,000,000 in General Revenue to increase waiver slots and reduce the interest lists.

118. Transfer Authority: Women's Health.

- (a) Notwithstanding the transfer limitations in Rider 95, Limitations on Transfer Authority, Article IX, Section 14.01, Appropriation Transfers, and any other transfer limitations in this Act, the Health and Human Services Commission (HHSC) is authorized to transfer funds from Goal A, Medicaid Client Services, to Strategy D.1.1, Women's Health Programs, for client services if HHSC determines that there is a demand based on program utilization.
- (b) Transfers under the authority in Subsection (a) of this rider may be made only for direct client services and shall not be made to increase Women's Health Programs Administration.
- (c) Authority granted by this rider to transfer funds is contingent upon a written notification from HHSC to the Legislative Budget Board and the Office of the Governor within 30 days of making a transfer.

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119. Transfer Authority: Home and Community-Based Services-Adult Mental Health.

- (a) Notwithstanding Rider 95, Limitations on Transfer Authority, Article II, Special Provisions Section 6, Limitations on Transfer Authority, and Article IX, Section 14.01, Appropriations Transfers, the Health and Human Services Commission may transfer funds from Strategies in Goal A, Medicaid Client Services, to Strategy D.2.5, Behavioral Health Waiver and Plan Amendment, if HHSC determines that there is a demand based on program utilization.
- (b) Transfers under the authority in Subsection (a) of this rider may be made only for the Home and Community-based Services-Adult Mental Health program.
- (c) Authority granted by this rider to transfer funds is contingent upon a written notification from HHSC to the Legislative Budget Board and the Office of the Governor within 30 days of making a transfer.

120. Transfer Authority: State-owned Facilities.

- (a) Notwithstanding the limitations of Rider 95, Limitations on Transfer Authority, Special Provisions Section 6, Limitations on Transfer Authority, Article IX, Section 14.01, Appropriation Transfers, and any other transfer limitations in this Act, the Health and Human Services Commission (HHSC) may make transfers from Goal A, Medicaid Client Services, to address staffing issues that impact operations and inpatient bed capacity at state-owned facilities funded through the following strategies:
 - (1) G.1.1, State Supported Living Centers;
 - (2) G.2.1, Mental Health State Hospitals;
 - (3) G.3.1, Other State Medical Facilities; and

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(4) G.4.1, Facility Program Support.

- (b) Authority granted by this rider to transfer funds is contingent upon a written notification from HHSC to the Legislative Budget Board and the Office of the Governor within 30 days of making a transfer

121. Savings Incentive Program. In addition to the amounts appropriated above, the Health and Human Services Commission is appropriated an amount not to exceed 50 percent of General Revenue savings that is verified by the Comptroller of Public Accounts pursuant to Government Code Chapter 2108. These funds shall be used to provide employee bonuses pursuant to Government Code Chapter 2108.103.

122. On-Call Pay. It is expressly provided that the Health and Human Services Commission, to the extent permitted by law, may pay compensation for on-call time at the following rates: credit for one hour of base pay worked for each day of on-call during the normal work week, and two hours of base pay worked for each day of on-call during a weekend and on holidays. This credit shall be in addition to actual hours worked during normal duty hours and actual hours worked during on-call status. For employees subject to the Fair Labor Standards Act (FLSA), an hour of on-call service shall be considered to be an hour worked during the week for purposes of the FLSA only to the extent required by federal law.

121. On-Call Pay. It is expressly provided that the Health and Human Services Commission, to the extent permitted by law, may pay compensation for on-call time for employees at mental health state hospitals and state supported living centers at the following rates: credit for one hour of base pay worked for each day of on-call during the normal work week, and two hours of base pay worked for each day of on-call during a weekend and on holidays. This credit shall be in addition to actual hours worked during normal duty hours and actual hours worked during on-call status. For employees subject to the Fair Labor Standards Act (FLSA), an hour of on-call service shall be considered to be an hour worked during the week for purposes of the FLSA only to the extent required by federal law.

122. State Hospital Salary Funding. Included in amounts appropriated above in Strategy G.2.1, Mental Health State Hospitals, is \$17,530,335 in General Revenue in each fiscal year to maintain funding for salary increases to address staffing challenges. If by December 1, 2023, the Health and Human Services Commission (HHSC) is unable to hire enough staff to allow offline state hospital beds to be utilized, HHSC shall instead allocate the funding to contract for additional competency restoration beds.

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123. SNAP Performance Payments. Bonus payment for employees who are paid in Strategy I.1.1, Integrated Eligibility & Enrollment. The authority to award bonus payment to employees is provided in Article IX, Section 13.11, Definition, Appropriation, Reporting and Audit of Earned Federal Funds and is subject to the following additional conditions: A portion of these funds, in each year of the biennium, shall be used by Health and Human Services Commission (HHSC) to provide bonuses to position classifications whose efforts directly contributed to meeting or exceeding performance standards for eligibility determination of Federal programs, or to position classifications who meet or exceed customer service performance measures developed by the commission. (1) Before an employee can be eligible for a bonus, the employee must have been employed in the program for a minimum of six months, remain employed in the program, and demonstrate performance that meets expectations. (2) HHSC has the authority to determine whether employees who have received bonuses under this provision are eligible for the merit salary increases during a twelve-month period prior to or after receipt of the bonus.

123. Cost Containment for State Hospital Construction. Notwithstanding any provisions of this Act allowing for the transfer of funds, none of the funds appropriated above to the Health and Human Services Commission shall be expended to address cost increases for the construction of mental health state hospitals without a specific appropriation provided in a rider or another appropriations act. It is the intent of Legislature that all costs above appropriations for completing construction of the new state hospital in Dallas be paid from appropriations or other available funding at the University of Texas Southwestern Medical Center or the University of Texas System.

124. Funding for the Unwinding of Continuous Medicaid Coverage. Included in the amounts appropriated above in Strategy I.1.1, Integrated Eligibility & Enrollment, is \$26,261,933 in General Revenue and \$51,727,232 in Federal Funds (\$77,989,165 in All Funds) in fiscal year 2024 and \$5,738,067 in General Revenue and \$11,973,655 in Federal Funds (\$17,711,722 in All Funds) in fiscal year 2025 to provide funding for temporary full-time equivalents and to support the increased workload for the Eligibility Support Services contractor due to the unwinding of continuous Medicaid coverage. It is the intent of the Legislature that full-time equivalent positions added to temporarily assist in the unwinding of continuous Medicaid coverage be phased out by

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125. Emergency Telemedicine Services for Individuals with Intellectual and Developmental Disabilities (IDD). Included in the amounts appropriated above to the Health and Human Services Commission (HHSC) are the following amounts to provide access to emergent and urgent clinical and care coordination services via telemedicine by board certified emergency room physicians who have specialized IDD training:

- (a) \$1,800,000 in General Revenue Funds in each fiscal year in Strategy A.2.7, Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID); and
- (b) \$3,250,000 in General Revenue Funds in each fiscal year in Strategy A.3.1, Home and Community-based Services.

These services would be limited to individuals receiving residential services through the Home and Community-based Services (HCS) program. The services shall be evidence-based and aim to improve health outcomes for the IDD population by reducing unnecessary emergency room visits and treating individuals in place. Services provided under this rider must show cost-savings as prescribed by Rider 21, Health and Human Services Cost Containment, and reported to the Legislative Budget Board.

125. 2-1-1 Texas Information & Referral Network (TIRN). Out of funds appropriated above, the Health and Human Services Commission shall allocate the following amounts for improvement of 2-1-1 TIRN:

- (a) \$375,000 in General Revenue and \$379,420 in Federal Funds (\$754,420 in All Funds) in each fiscal year in Strategy I.1.1, Integrated Eligibility and Enrollment, for staff retention and hiring at contracted Area Information Centers; and
- (b) \$375,000 in General Revenue and \$684,143 in Federal Funds (\$1,059,043 in All Funds) in

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each fiscal year Strategy I.3.1, TIERS & Eligibility Support Tech, to improve 2-1-1 analytics and functionality.

126. Information on Funding Provided for Attendant Wages. Included in amounts appropriated above to the Health and Human Services Commission in Goal A, Medicaid Client Services, and Strategy F.1.2, Non-Medicaid Services, is \$901,886,738 in General Revenue and \$1,414,403,638 in Federal Funds to increase the base wage for personal attendant services to \$11.00 per hour in fiscal years 2024 and 2025.

126. Women's Preventive Health Mobile Units. Out of funds appropriated above in Strategy D.1.1, Women's Health Programs, the Health and Human Services Commission (HHSC) is allocated \$5,000,000 in General Revenue each fiscal year to increase the number of Women's Preventive Health Mobile Units in the state. The Health and Human Services Commission shall prioritize awards for underserved communities or populations of the state to increase access to Healthy Texas Women, Breast and Cervical Cancer Services, and Family Planning Program services.

127. Maintenance of Critical Services: Local Authority Workforce Capacity. Out of funds appropriated above, the Health and Human Services Commission shall allocate the following amounts for maintenance of critical infrastructure to local mental health authorities, local behavioral health authorities, and local intellectual and developmental disability authorities proportionally based on fiscal year 2023 funding levels:

- (a) \$37,928,029 in General Revenue in each fiscal year in Strategy D.2.1, Community Mental Health Svc - Adults;
- (b) \$9,653,956 in General Revenue in each fiscal year in Strategy D.2.2, Community Mental Health Svc - Children;
- (c) \$7,169,246 in General Revenue in each fiscal year in Strategy D.2.3, Community Mental

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Health Crisis Svcs;

- (d) \$4,733,944 in General Revenue in each fiscal year in Strategy F.1.3, Non-Medicaid IDD Community Svcs; and
- (e) \$4,171,485 in General Revenue in each fiscal year in Strategy I.2.1, Long-term Care Intake & Access.

127. Deaf-Blind Multiple Disabilities Case Management. Out of funds appropriated above in Strategy A.3.3, Deaf-Blind Multiple Disabilities, the Health and Human Services Commission shall allocate \$181,994 in General Revenue and \$281,214 in Federal Funds (\$463,208 in All Funds) in fiscal year 2024 and \$184,588 in General Revenue and \$278,620 in Federal Funds (\$463,208 in All Funds) in fiscal year 2025 for Deaf-Blind Multiple Disabilities case management billing reform.

128. Rates: Wellness Visits for Kids and Women's Health Related Surgeries. Included in amounts appropriated above to the Health and Human Services Commission are the following amounts for reimbursement rate increases:

- (a) \$19,429,986 in General Revenue and \$30,022,767 in Federal Funds (\$49,452,753 in All Funds) in fiscal year 2024 and \$17,326,338 in General Revenue and \$26,152,554 in Federal Funds (\$43,478,892 in All Funds) in fiscal year 2025 in Strategy A.1.5, Children, to increase the Medicaid reimbursement rates for wellness visits for kids and other office visits, including evaluation and management services, by three percent.
- (b) \$1,483,494 in General Revenue and \$2,292,258 in Federal Funds (\$3,775,752 in All Funds) in fiscal year 2024 and \$1,488,696 in General Revenue and \$2,247,054 in Federal Funds (\$3,735,750 in All Funds) in Strategy A.1.3, Pregnant Women, to increase the Medicaid reimbursement rates for birth and women's health related surgeries by three percent.

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129. Texas Colorectal Cancer Initiative. Included in the amounts appropriated above to the Health and Human Services Commission in Strategy D.1.10, Additional Specialty Care, is \$10,000,000 in General Revenue in each fiscal year for the Health and Human Services Commission to fund the treatment of colorectal cancer for uninsured and underinsured Texas residents with household incomes at or below 200 percent of the federal poverty level. Any unexpended balances remaining as of August 31, 2024 are appropriated for the same purpose for the fiscal year beginning September 1, 2024.

129. Paving Facility Campuses. The Health and Human Services Commission (HHSC) shall coordinate with the Texas Department of Transportation to identify and utilize up to \$25,000,000 in available federal funding from the Inflation Reduction Act of 2022 (Pub. L. 117-169) or other federal acts to maintain and construct roads, parking lots, sidewalks, trails, and other paving at HHSC facilities including state supported living centers and mental health state hospitals.

130. Contracts for State Leases. Included in amounts appropriated above in Strategy L.2.2, Regional Program Support, is \$10,000,000 in General Revenue Funds and \$2,275,361 in Federal Funds in each fiscal year of the biennium for cost increases for state leases.

It is the intent of the Legislature that the Health and Human Services Commission shall coordinate with the Texas Facilities Commission to identify ways to reduce costs for state leases, including, but not limited to lowering costs associated with Consumer Price Index escalation.

130. Rates: Intermediate Care Facilities and Certain Waiver Providers.

(a) Included in the amounts appropriated above to the Health and Human Services Commission (HHSC) in Goal A, Medicaid Client Services, is \$215,800,000 in General Revenue over the

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biennium to do the following:

- (1) maintain rate increases authorized by Health and Human Services Commission Rider 44, Rate Increases: Intermediate Care Facilities and Certain Waiver Providers, of House Bill 1, Eighty-sixth Legislature, Regular Session, 2019; and
 - (2) provide for rate increases for intermediate care facilities, Home and Community-based Services, and Texas Home Living waivers in the direct care portion of those rates.
- (b) It is the intent of the Legislature that HHSC assume direct care staff wages of \$15.00 per hour on average, before benefits, in the methodology for these services.

131. University of Texas Health Science Center at Tyler Contracted Mental Health

Beds. Out of funds appropriated above in Strategy G.2.2, Mental Health Community Hospitals, HHSC shall allocate \$889,800 in General Revenue in fiscal year 2024 and \$887,683 in General Revenue in fiscal year 2025 to increase the bed-day rate for inpatient mental health contracted beds at the University of Texas Health Science Center at Tyler.

131. Title IV-E Funding. Pursuant to the adoption of federal rules that revise the definition of “foster family home” and allow states to claim title IV-E federal financial participation (FFP) for the cost of foster care maintenance payments (FCMP), the Health and Human Services Commission shall collaborate with the Department of Family and Protective Services to develop and adopt different licensing rules or approval standards for relative or kinship foster family homes with the intent to facilitate more relative or kinship homes in qualifying for full foster care payments. It is the intent of the Legislature that the Title IV-E agency use state funds in an effort to leverage the maximum amount of federal matching funds to allow, to the greatest extent possible, verified foster family homes to claim full FCMP payment on behalf of eligible children.

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132. Private Duty Nursing. Included in amounts appropriated above to the Health and Human Services Commission in Strategy A.1.2, Disability-Related, is \$75,000,000 in General Revenue and \$115,017,735 in Federal Funds in fiscal year 2024 and \$74,283,348 in General Revenue and \$112,124,050 in Federal Funds in fiscal year 2025 for reimbursement rate increases for private duty nursing services to assist providers with the increased cost of maintaining adequate staff, including on holidays, weekends, and extended shifts.

133. Health Information Exchange Image Enablement. Out of funds appropriated above in Strategy D.1.14, Primary Health and Specialty Care Administration, the Health and Human Services Commission shall distribute \$30,000,000 in General Revenue to the Texas Health Services Authority established by Chapter 182, Health and Safety Code, and to local or regional health information exchanges, as defined by Government Code Section 531.901(4), in an amount not to exceed \$0.75 per patient covered, as verified by an electronic Master Patient Index (eMPI) implemented within their network, to expand and enhance their existing infrastructures to enable the exchange of diagnostic imaging scans in support of improved clinical imaging workflows. Funding shall be distributed by December 31, 2023.

132. Family Resources Website. Out of funds appropriated above in Strategy D.1.14, Primary Health and Specialty Care Administration, the Health and Human Services Commission shall expend \$500,000 each fiscal year to expand the one-stop Family Resources website.

133. Assessment of Residential Child Care Standards. Out of funds appropriated above, the Health and Human Services Commission may enter into an agreement with an independent third party to conduct an assessment of residential child care minimum standards, as outlined in Texas Administrative Code Title 26, Chapter 748, that make recommendations to:

- (a) remove, alter, or re-weight standards that do not protect the health and safety of children and create barriers to attracting quality residential child care providers and foster or kinship

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families; and

(b) ensure standards are focused on child health and safety to the greatest extent possible.

134. Ground Ambulance Reimbursement Rates. Out of funds appropriated above in Strategies A.1.1, Aged and Medicare-Related, A.1.2, Disability-Related, A.1.3, Pregnant Women, A.1.4, Other Adults and A.1.5, Children, the Health and Human Services Commission shall use \$24,500,000 in General Revenue and \$61,776,508 in Federal Funds over the biennium for the purposes of increasing the Medicaid ground ambulance mileage rate to equal the calendar year 2023 Medicare urban mileage rate.

135. Improving Access to Pediatric Services.

(a) Included in amounts appropriated above in Strategy A.1.5, Children, is \$22,884,170 in General Revenue and \$34,027,460 in Federal Funds (\$56,911,630 in All Funds) in fiscal year 2024 and \$23,483,070 in General Revenue and \$34,903,470 in Federal Funds (\$58,386,540 in All Funds) in fiscal year 2025 to provide a 10 percent rate increase for services provided in any setting by a physician, including a specialist, to children ages 0 to 3.

(b) It is the intent of the Legislature that HHSC allocate the funding identified in Subsection (a)

137. Ground Ambulance Reimbursement Rates. Included in amounts appropriated above to the Health and Human Services Commission in Strategy A.1.1, Aged and Medicare-Related, is \$409,559 in General Revenue and \$617,940 in Federal Funds (\$1,027,499 in All Funds) in fiscal year 2024 and \$409,559 in General Revenue and \$617,940 in Federal Funds (\$1,027,499 in All Funds) in fiscal year 2025 to increase the Medicaid ground ambulance by three percent.

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among provider types 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 Medicaid fee-for-service and managed care models.

- (c) HHSC shall report to the Legislative Budget Board and Governor's Office by September 1, 2024, detailing the compliance by managed care organizations in allocating the additional funds listed above directly to physician services for children age 0 to 3.

135. Home-Delivered Meals. Out of funds appropriated above in Strategy F.1.2, Non-Medicaid Services, the Health and Human Services Commission shall expend \$5,000,000 in General Revenue each fiscal year to expand services in the Home-Delivered Meals program.

136. Funding for Medicaid Services Provided by Community Attendants.

- (a) Included in amounts appropriated above in Goal A, Medicaid Client Services, is \$106,933,536 in General Revenue Funds (\$275,374,538 in All Funds) for the Health and Human Services Commission (HHSC) to increase service support funding for Home and Community Services Agency Community Attendant services.
- (b) Included in amounts appropriated above in Goal A, Medicaid Client Services, for each fiscal year is \$391,865,226 in General Revenue (\$1,008,859,566 in All Funds) for HHSC to include an increase of \$0.04 for each level in the rate enhancement program for Community Attendants. Funds include full rate enhancement for attendant programs not included in the rate enhancement such as Medically Dependent Children Program (MDCP) / Personal Attendant Services (PAS), Personal Care Services (PCS), Respite, and Consumer Directed Services (CDS) option attendant services.

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137. Healthy Texas Women Enrollment Support. Out of funds appropriated above in Strategy D.1.14, Primary Health and Specialty Care Administration, the Health and Human Services Commission (HHSC) is allocated \$2,614,000 in General Revenue each fiscal year to fund patient navigators at providers for women's health programs to facilitate and expedite access to the Healthy Texas Women (HTW) program. HHSC shall utilize the funding used to increase contract amounts to support the hiring of on-site navigators at contracted HTW or Family Planning Program clinics throughout the state. HHSC shall grant on-site navigators appropriate access to TIERS to facilitate client enrollment.

138. Funding for CHIP Health Services Initiative. Funds appropriated above in Strategy B.1.1, Medicaid & CHIP Contracts & Administration, and consistent with Section 2105(a)(1)(D)(ii) of the Social Security Act, include \$2,500,000 in General Revenue and \$7,500,000 in Federal Funds in fiscal year 2024 and \$2,500,000 in General Revenue and \$7,500,000 in Federal Funds in fiscal year 2025. The Health and Human Services Commission (HHSC) shall develop a State Children's Health Insurance Program (CHIP) Health Services Initiative (HSI) that will focus on the creation of a funding program for Community Based Organizations (CBOs) to allow for investment in technology to facilitate coordination across government, healthcare entities, and CBOs in order to address non-medical factors that affect healthcare outcomes and costs. Such systems must include capabilities to: (1) make closed-loop referrals, (2) automatically generate invoices based on services provided, and (3) link service delivery outcomes to payments.

HHSC shall prepare and submit a report that outlines how HSI funds were allocated, progress made on creation of the grant program, and funds disbursed to date to the Senate Committee on Finance, the House Committee on Appropriations, the Legislative Budget Board, the Governor's Office, 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 December 31, 2024.

139. Local-Level Marketing Program for Women's Health Programs. Out of funds appropriated above in Strategy D.1.14, Primary Health and Specialty Care Administration, the Health and Human Services Commission is allocated \$5,000,000 in General Revenue in fiscal year 2024 to

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partner with a marketing agency to implement a local-level outreach program to increase regional awareness of women's health programs and local program providers for Healthy Texas Women, the Family Planning Program, and Breast and Cervical Cancer Services. Any unexpended balances of these funds remaining at the end of the first fiscal year of the biennium are appropriated for the same purposes for the second fiscal year of the biennium.

139. Rural Hospital Grant Program.

- (a) **Informational Listing.** Included in amounts appropriated above to the Health and Human Services Commission (HHSC) is \$25,000,000 in General Revenue in each fiscal year in Strategy F.3.3, Additional Advocacy Programs, to provide grants for financial stabilization of rural hospitals, for maternal care operations in rural hospitals, and for alternative payment model readiness for rural hospitals; and \$500,000 in General Revenue in each fiscal year in Strategy L.1.1, HHS System Supports, to administer the program.
- (b) **Unexpended Balance Authority within the Biennium.** Any unexpended balances remaining at the end of August 31, 2024, are appropriated for the same purposes for the fiscal year beginning September 1, 2024.
- (c) **Reporting Requirement.** By November 1, 2024, HHSC shall submit a report detailing the expenditure of funds appropriated in Strategy F.3.3, Additional Advocacy Programs. The report shall include the following: the number of grants awarded, amount awarded per entity, effectiveness of the grants, the number of hospitals 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's Office, the Senate Finance Committee, and the House Appropriations Committee.
- (d) Notwithstanding the limitations in Article IX, Sec. 6.10, Limitations on State Employment Levels, HHSC may increase the "Number of Full-Time-Equivalents (FTE)" appropriated above by 6.0 FTEs in each fiscal year to address staffing needs related to providing grants under this provision.

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140. Improving Access to Pediatric Services.

- (a) Included in amounts appropriated above in Strategy A.1.5, Children, is \$3,066,320 in General Revenue and \$4,559,470 in Federal Funds (\$7,625,790 in All Funds) in fiscal year 2024 and \$3,150,030 in General Revenue and \$4,681,990 in Federal Funds (\$7,832,020 in All Funds) in fiscal year 2025 to provide a 10 percent rate increase for services provided in any setting by a physician, including a specialist, to children age 4.
- (b) It is the intent of the Legislature that HHSC allocate the funding identified in Subsection (a) among provider types 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 Medicaid fee-for-service and managed care models.
- (c) HHSC shall report to the Legislative Budget Board and Governor's Office by September 1, 2024, detailing the compliance by managed care organizations in allocating the additional funds listed above directly to physician services for children age 4.

141. Nutrition Incentives. Included in the amounts appropriated above to the Health and Human Services Commission is \$6,000,000 in General Revenue Funds in fiscal year 2024 in Strategy I.1.1, Integrated Eligibility and Enrollment, for grants to organizations implementing nutrition incentive programs that qualify for federal funds under Section 4205, Agriculture Improvement

140. Prohibition of Use of Appropriated Funds for Transgender Treatment. It is the intent of the Legislature that no funds appropriated to the Health and Human Services Commission, in alignment with current state Medicaid policy, be used for the provision or reimbursement of gender reassignment surgeries performed to transition individuals with gender dysphoria to the individual's desired gender under the Texas Medicaid program.

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Act of 2018 (7 U.S.C. Section 7517). Any organization selected for grant funding must have demonstrated experience designing and implementing successful nutrition incentive programs that connect low-income consumers and agricultural producers, offer administrative and technological support to retailer participants to support uptake and participation in the program, and operate in at least two counties.

Any unexpended balances of these funds remaining at the end of the first fiscal year of the biennium in Strategy I.1.1, Integrated Eligibility and Enrollment, are appropriated for the same purposes for the second fiscal year of the biennium.

- 142. Rural Hospital Telepsychiatry Consultations.** Included in amounts appropriated above in Strategy D.2.1, Community Mental Health Svcs - Adults, is \$3,700,000 in General Revenue in each fiscal year of the biennium to fund telepsychiatry consultations for rural hospitals. The Health and Human Services Commission shall contract with a statewide organization to aggregate telepsychiatry consultations among rural hospitals in order to access remote psychology services through collaboration with one or more telepsychiatry networks. The statewide organization must be exempt from federal income taxation and provide services to rural hospitals, including grant and fund development to assist rural hospitals in their search for funding opportunities, education and training to provide important information to rural hospital staff, and performance and quality improvement tools to help rural hospitals deliver quality health care.

Any unexpended balances remaining as of August 31, 2024, are appropriated for the same purpose for the fiscal year beginning September 1, 2024.

Rural hospitals are defined as (1) hospitals located in a county with 70,000 or fewer persons according to the 2020 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.

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143. Enhanced Capacity for Family Violence Services. Out of funds appropriated above in Strategy F.3.1, Family Violence Services, the Health and Human Services Commission is allocated \$4,650,000 in General Revenue each fiscal year to distribute to existing family violence centers and special nonresidential projects in a manner consistent with Chapter 51 of the Human Resources Code. Funding shall be used to provide enhanced capacity for shelter services as well as legal, mental health, housing, and economic stability services for victims of family violence and to offer community education and prevention programming.

142. Database of Community Inpatient Beds. Out of funds appropriated above in Strategy D.2.7, Community Behavioral Health Administration, the Health and Human Services Commission shall develop and implement an integrated statewide database of community inpatient beds and other resources to expedite access to care for individuals in need of behavioral health services. The database should include treatment availability, referral and communication tools, clinical decision support, capability for advanced data analytics, and electronic integration with existing behavioral health systems.

144. Medicaid Autism Services Report. Out of funds appropriated above in Strategy B.1.1, Medicaid & CHIP Contracts & Administration, the Health and Human Services Commission (HHSC) shall produce a report on autism services in Medicaid that includes:

- (a) number of Medicaid clients receiving applied behavior analysis (ABA) services;
- (b) Medicaid rates paid for ABA services;
- (c) average monthly cost per child receiving ABA services in Medicaid;
- (d) number of Medicaid providers offering ABA services; and

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(e) waiting time for clients before receiving ABA services in Medicaid.

HHSC shall submit the report to the Legislative Budget Board, Governor's Office, Senate Finance Committee, House Appropriations Committee, and permanent committees in the Senate and House of Representatives with jurisdiction over health and human services by October 1, 2024.

145. Ellie's Law. Included in amounts appropriated above in Strategy H.2.1, Child Care Regulation, is \$1,024,221 in General Revenue Funds in fiscal year 2024 to implement changes to child care regulation as required by Senate Bill 225, Eighty-seventh Legislature, Regular Session, 2021, also cited as Ellie's Law.

It is the intent of the Legislature that the Health and Human Services Commission (HHSC) use amounts appropriated above in Strategy H.2.1, Child Care Regulation, including the funds identified by this rider, to fully implement the provisions of the legislation.

145. Family Planning Program Funds Gone Notification and Women's Health Programs Transfer Authority.

- (a) At least 30 calendar days prior to entering a 'funds gone' status for contract claims with Family Planning Program (FPP) providers, the Health and Human Services Commission (HHSC) shall notify the Legislative Budget Board and the Governor's Office. The notification must include if there are sufficient funds available within other programs in Strategy D.1.1, Women's Health Programs, to transfer into FPP to cover all FPP client services. In the event that funds are not available within Strategy D.1.1, Women's Health Programs, HHSC shall transfer funding for FPP client services pursuant to section (b) of this rider.
- (b) Notwithstanding the transfer limitations in Rider 95, Limitations on Transfer Authority: Article IX, Section 14.01, Appropriation Transfers; and any other transfer limitations in this Act, HHSC is authorized to transfer funds from Goal A, Medicaid Client Services, to

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Strategy D.1.1, Women's Health Programs, for client services if HHSC determines that there is a demand based on program utilization.

- (c) Transfers under the authority in Subsection (b) of this rider may be made only for direct client services and shall not be made to increase administration of women's health programs.
- (d) Authority granted by this rider to transfer funds is contingent upon a written notification from HHSC to the Legislative Budget Board and the Governor's Office within 30 calendar days of making a transfer.

146. Unused San Antonio State Hospital Land. The Health and Human Services Commission shall engage in land use and program planning with Bexar County and the City of San Antonio to utilize unused land and buildings on the San Antonio State Hospital campus for the purpose of the provision of mental health services. Planning should include community outreach and input and consider the full mental health continuum of care in services considered for inclusion on the property.

146. Interest List Elimination Plan. Out of funds appropriated above in Strategy B.1.1, Medicaid & CHIP Contracts & Administration, the Health and Human Services Commission (HHSC) shall develop a plan to eliminate the interest lists for the STAR+PLUS Home and Community-based Services, Home and Community-based Services, Community Living Assistance and Support Services, Deaf-Blind Multiple Disabilities, Texas Home Living, and Medically Dependent Children Program waiver programs. The plan shall include a proposed timeline with related estimated costs of releasing persons from the interest lists on a highest-need or first-come, first-served basis; recommend which, if any, interest lists could be eliminated on an immediate or priority basis; and provide current waiver programs and services to persons released from the interest lists. HHSC shall submit the plan to the Senate Finance Committee, the House Appropriations Committee, the Legislative Budget Board, and the Governor's Office by December 31, 2024.

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147. Supportive Housing Rental Assistance Program. Out of funds appropriated above in Strategy D.2.1, Community Mental Health Svcs Adults, is \$2,000,000 in General Revenue Funds in each fiscal year to expand the Supportive Housing Rental Assistance Program.

147. Early Childhood Intervention Report. Out of the funds appropriated above, the Health and Human Services Commission (HHSC) shall establish an Early Childhood Intervention (ECI) Eligibility and Enrollment Forecast report. No later than 30 days after the end of each fiscal quarter, HHSC shall post on its website:

- (a) the total count of infants aged 0-3 years old that are newly eligible to receive services during the reporting period, the number of newly authorized infants who became enrolled in services, the total number of eligible individuals, the total number enrolled, the number of service delivery hours provided to enrolled individuals, and the total number of ECI clients who aged out of the program; and
- (b) a comparison of actual performance on each ECI performance measure included in the General Appropriations Act to the targeted performance included in that Act.

No later than September 1 of every even numbered year, HHSC shall provide a biennial report which:

- (a) includes a consolidated report for the preceding biennium, including a comparison of performance for any measure for which quarterly data are not available, and
- (b) an analysis of the cost to meet any of the performance measures that were not met over the period.

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- 148. Health Home for Medicaid Patients with Sickle Cell Disease.** Out of funds appropriated above in Strategy B.1.1, Medicaid & CHIP Contracts & Administration, the Health and Human Services Commission (HHSC) shall prepare and submit a Medicaid state plan amendment to the Centers for Medicare and Medicaid Services to provide coverage for health home services to persons who are diagnosed with sickle cell disease and are already enrolled in Medicaid. HHSC shall only prepare and submit the Medicaid state plan amendment if HHSC determines that the 10.0 percent state match General Revenue cost of providing health home services would be offset by reductions in other Medicaid spending.
- 149. Institutions of Mental Disease Exclusion Waiver.** Out of funds appropriated above, 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 in psychiatric hospitals or residential treatment settings that qualify as institutions of mental disease.
- 150. Maternal Health Deserts Report.** Out of funds appropriated above, the Health and Human Services Commission (HHSC) shall study statewide access to maternity care. HHSC shall identify counties where access to maternity health care is absent or limited, provide detail on what services are provided, and make recommendations to improve access. In counties where access to maternity care is limited, HHSC shall assess the impact on maternal health outcomes and identify preventable outcomes related to severe maternal morbidity. HHSC shall include in their assessment the rate of maternal mortality and morbidity in counties with limited access to maternal care and make recommendations to reduce the prevalence of maternal mortality and morbidity within these counties. For the purposes of this study, a maternal health desert is any county with limited access to maternal care or is a county without a hospital, birth center, or clinic offering obstetric care or without any obstetric providers. Limited access to appropriate preventive, prenatal, and postpartum care is defined as a county with one or fewer hospitals or birth centers that provide obstetric care, few obstetric providers (fewer than 60 per 10,000 births), or a high proportion of women without health insurance (10 percent or more).

Not later than September 1, 2024, HHSC shall submit a written report on their findings to the

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Legislative Budget Board, the Governor's Office, the Chair of the House Appropriations Committee, the Chair of the Senate Finance Committee, the Speaker of the House, the Lieutenant Governor, and the permanent standing committees in the House of Representatives and the Senate with jurisdiction over health and human services.

151. Report on Uncompensated Trauma Payments. Out of funds appropriated above, the Health and Human Services Commission (HHSC) shall issue a report on uncompensated trauma care provided throughout Texas. The report shall provide information on:

- (a) the amount of funds hospitals receive through governmental entities for uncompensated trauma care; and
- (b) payments received by physicians or physician groups for providing medical care to uninsured trauma patients.

HHSC shall submit report findings to the Senate Committee on Finance, the House Committee on Appropriations, the Legislative Budget Board, the Lieutenant Governor, the Speaker of the House, and the Office of the Governor by December 1, 2024.

152. State Hospital Cost Study. The University of Texas Health Science Center at Houston shall submit annual operating cost data to the Health and Human Service Commission (HHSC) for all state-contracted inpatient mental health hospital beds funded through Goal D, Additional Health-Related Services, and Goal G, Facilities. HHSC shall analyze the data and issue a report to the Legislature by September 1, 2024, with recommendations for an appropriate bed rate to fully cover the cost of operating the inpatient beds.

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153. Study on Language Access Plan. Out of the funds appropriated above in Strategy L.1.1, HHS System Support, the Health and Human Services Commission (HHSC) shall evaluate the costs associated with developing a Language Access Plan (LAP) that is updated each biennium.

In conducting the evaluation, HHSC shall consider the costs and staffing required to implement the following:

- (a) Translate and orally interpret (through multilingual staffers or vendors) all materials, forms, applications, portal application systems, and external communications into any language from a language group that has a population over 50,000 and is 33 percent Limited English Proficiency (LEP) per the latest American Community Survey/Census with at least the following languages: English; Spanish; Vietnamese; Korean; Traditional/Simplified Chinese (written); Mandarin/Cantonese (oral); and Arabic.
- (b) Make available all translated materials on the HHSC website;
- (c) Ensure equitable access to all services and rights related to language access by informing LEP communities of their rights, having translated public information and announcements viewable in public spaces, and conduct intentional outreach to LEP communities;
- (d) Train HHSC staff members to adhere to LAP procedures and expectations; and
- (e) Create quality control and accountability measures to ensure all translations and interpretations are of professional and understandable quality and gives LEP community members agency to evaluate LAP performance.

HHSC shall submit a report that includes findings and recommendations to the Office of the Governor, the Legislative Budget Board, and relevant committees in the House and Senate by September 1, 2024.

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HOUSE SPECIAL PRINTING TO HOUSE BILL 1: NEW RIDERS

- 155. Psychiatric Residential Youth Treatment Facility Voluntary Certification.** Out of the amounts appropriated above to the Health and Human Services Commission, the commission shall implement the provisions of House Bill 3121, Eighty-seventh Legislature, Regular Session, 2021, by developing and implementing a voluntary quality standards certification process to certify psychiatric residential youth treatment facilities in accordance with Health and Safety Code, Chapter 577A.
- 156. Implementation of Eligibility for Audiology Services Under School Health and Related Services Program.** It is the intent of the Legislature that, out of funds appropriated to the Health and Human Services Commission above that may be used for that purpose, the commission use an amount sufficient to implement Education Code, Section 38.034.
- 157. Study on Kidney Dialysis Treatment for African Americans.** Out of amounts appropriated above, the Health and Human Services Commission shall conduct a study regarding any disparities or issues in the provision of kidney dialysis treatment for African Americans in this state. Not later than December 1, 2024, the commission shall submit to the Legislature a report containing the findings of the study and any recommendations for legislative or other action.
- 158. STAR+PLUS Pilot Program Implementation.**
- (a) It is the intent of the Legislature that the Health and Human Services Commission use the amounts appropriated above in Strategy A.3.6, STAR+PLUS Pilot Program, to implement the initial phase of the STAR+PLUS Pilot Program authorized under Subchapter C, Chapter 534, Government Code.
 - (b) In implementing the initial phase of the STAR+PLUS Pilot Program and to the extent permitted by state and federal law, the Health and Human Services Commission shall:

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- (1) prioritize the provision of services under the pilot program to persons who have been diagnosed with an intellectual or developmental disability and are on an interest list for the following Medicaid waiver programs:
 - (A) the Home and Community-based Services (HCS) waiver program; or
 - (B) the Texas Home Living (TxHmL) waiver program; and
- (2) ensure the number of persons to whom services are provided under the pilot program during the initial phase is a statistically valid number that does not exceed 4,000 persons.

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**

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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:

- (A) Strategy A.4.1, Laboratory Services: \$44,086,029 in fiscal year 2024 and \$44,086,029 in fiscal year 2025;
- (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: \$69,245,724 in fiscal year 2024 and \$69,245,724 in fiscal year 2025.

Revenue from Account No. 709 shall be distributed first to the item(s) in Subsection (a)(1) 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

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

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(1) Department of State Health Services:

- (A) Strategy A.4.1, Laboratory Services: \$44,086,029 in fiscal year 2024 and \$44,086,029 in fiscal year 2025;
- (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: \$69,245,724 in fiscal year 2024 and \$69,245,724 in fiscal year 2025.

Revenue from Account No. 709 shall be distributed first to the item(s) in Subsection (a)(1) 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

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General Revenue or General Revenue-Dedicated on a monthly basis.

General Revenue or General Revenue-Dedicated on a monthly basis.

(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 in a fiscal year, the funds are transferred to the Newborn Screening Preservation Account, established in Health and 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, 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 additional revenue for the year to be deposited to the Newborn Screening Preservation Account 5183.
- (2) In the event that screens on the Recommended Uniform Screening Panel are not currently offered by DSHS, DSHS may provide notification of the intent to expend the funds available in the Newborn Screening Preservation Account 5183 up to \$12,000,000 for the biennium. The notification must be provided to the Legislative Budget Board and the Governor at least 30 days prior to the expenditure.
- (3) In the event that screens on the Recommended Uniform Screening Panel are not currently offered by DSHS, DSHS may request to expend the funds available in the Newborn Screening Preservation Account 5183 exceeding \$12,000,000 for the biennium. The request shall include the following information:
 - (A) a detailed explanation of the purpose(s) of the increase in expenditure and whether the expenditure will be one-time or ongoing;
 - (B) the name of the strategy or strategies affected by the increase/decrease and the FTEs

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

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- (2) In the event that screens on the Recommended Uniform Screening Panel are not currently offered by DSHS, DSHS may provide notification of the intent to expend the funds available in the Newborn Screening Preservation Account 5183 up to \$12,000,000 for the biennium. The notification must be provided to the Legislative Budget Board and the Governor at least 30 days prior to the expenditure.
- (3) In the event that screens on the Recommended Uniform Screening Panel are not currently offered by DSHS, DSHS may request to expend the funds available in the Newborn Screening Preservation Account 5183 exceeding \$12,000,000 for the biennium. The request shall include the following information:
 - (A) a detailed explanation of the purpose(s) of the increase in expenditure and whether the expenditure will be one-time or ongoing;
 - (B) the name of the strategy or strategies affected by the increase/decrease and the FTEs

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for each strategy by fiscal year;

- (C) the impact on performance levels, and, where relevant, a comparison to targets included in this Act for the affected strategy or strategies; and
- (D) 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.

- (4) In the event that the notification occurs in b(2) or the request in b(3) is approved, notwithstanding the limitations of Article IX, Section 14.03, Transfers-Capital Budget, DSHS is authorized to transfer from a non-capital budget item to an existing capital budget item or a new capital budget item to implement the new test using funds from the Newborn Screening Preservation Account. DSHS will provide a prior written notification to the Legislative Budget Board and the Governor's office.
- (5) In the event that the notification occurs in b(2) or the request in b(3) is approved, any unexpended and unobligated balances remaining as of August 31, 2023, are appropriated to DSHS for the fiscal year beginning September 1, 2023, for the same purpose. Any unexpended and unobligated balances remaining as of August 31, 2024, are appropriated to DSHS for the fiscal year beginning September 1, 2024, for the same purpose. Any unexpended balances remaining from amounts appropriated to DSHS under section b(2) as of August 31, 2025, are appropriated for the fiscal year beginning September 1, 2025, for

for each strategy by fiscal year;

- (C) the impact on performance levels, and, where relevant, a comparison to targets included in this Act for the affected strategy or strategies; and
- (D) 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.

- (4) In the event that the notification occurs in b(2) or the request in b(3) is approved, notwithstanding the limitations of Article IX, Section 14.03, Transfers-Capital Budget, DSHS is authorized to transfer from a non-capital budget item to an existing capital budget item or a new capital budget item to implement the new test using funds from the Newborn Screening Preservation Account. DSHS will provide a prior written notification to the Legislative Budget Board and the Governor's office.
- (5) In the event that the notification occurs in b(2) or the request in b(3) is approved, any unexpended and unobligated balances remaining as of August 31, 2023, are appropriated to DSHS for the fiscal year beginning September 1, 2023, for the same purpose. Any unexpended and unobligated balances remaining as of August 31, 2024, are appropriated to DSHS for the fiscal year beginning September 1, 2024, for the same purpose.
- (6) In the event that Public Health Medicaid Reimbursement revenues and balances are

**SPECIAL PROVISIONS RELATING TO
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the same purpose.

(6) In the event that Public Health Medicaid Reimbursement revenues and balances are insufficient to support 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.

Sec. 17. Charges to Employees and Guests.

(a) Fee Collections for "non-compensatory services" provided to employees, temporary personnel services staff, and guests at the state supported living centers, state mental health hospitals, Rio Grande State Center, or the Texas Center for Infectious Disease ("facilities", or one of these facilities may be referred to as "Facility") shall be made by a deduction from the recipient's salary or by cash payment in advance. Such deductions and other receipts for these services from employees, temporary personnel services staff, and guests arising out of these "non-compensatory services" are appropriated to the facilities. Refunds of excess collections shall be made from the appropriation to which the collection was deposited. ("Non-compensatory services" are services provided to the recipients that are not in exchange for services provided, or required to be

insufficient to support 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.

Sec. 17. Charges to Employees and Guests. Collections for services rendered to employees and guests at the state supported living centers, state mental health hospitals, Rio Grande State Center, or the Texas Center for Infectious Disease ("facilities") shall be made by a deduction from the recipient's salary or by cash payment in advance. Such deductions and other receipts for these services from employees and guests are appropriated to the facilities. Refunds of excess collections shall be made from the appropriation to which the collection was deposited.

As compensation for services rendered, facilities may provide free meals for food service personnel and volunteer workers, and may furnish housing, meals, and laundry service in exchange for services rendered by interns, chaplains in training, and student nurses.

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provided, by the recipient to a Health and Human Services agency).

- (b) As compensation for services rendered by the persons mentioned in (1) and (2) below, Facilities may provide the following items without charge:
 - (1) meals for food service personnel and volunteer workers; and
 - (2) temporary lodging in state-owned housing under Facility control, meals, and laundry service for interns, residents, fellows, chaplains in training, and student nurses.
- (c) A state hospital or state supported living center may allow for the temporary use of state-owned housing under that Facility's control without payment by family members and guests of patients of state health hospitals or residents of state supported living centers.
- (d) A state hospital or state supported living center may allow for the temporary use of state-owned housing under that Facility's control at the prevailing market rate (as determined by the Health and Human Services Commission) for temporary personnel services staff providing direct care to Facility residents and patients provided that the state-owned housing is not otherwise needed for the controlling Facility's use. Fees for this temporary housing are appropriated to be used for maintaining state-owned housing under the Facility's control.

Sec. 26. World Health Organization. No funds from the health and human services agencies listed in Article II of this Act may be used to engage in activities in collaboration with, directed by, or financed by the World Health Organization or its affiliates. No funds from the health and human services agencies shall be distributed to individuals or entities that engage in activities in collaboration with, directed by, or financed by the World Health Organization or its affiliates.

ARTICLE IX
HEALTH-RELATED PROVISIONS

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Sec. 10.07 Informational Listing - Mental Health Funding for Continued Transformation.

The following is an informational listing of appropriations above 2022-23 levels for mental health funding made elsewhere in this Act to the Health and Human Services Commission (HHSC):

(a) HHSC Frontline Staff

Salary Increases. \$107,211,441 in each fiscal year in General Revenue in Strategy G.1.1, State Supported Living Centers, and \$70,847,041 in fiscal year 2024 and \$70,847,042 in fiscal year 2025 in General Revenue in Strategy G.2.1, Mental Health State Hospitals, to maintain salary increases for frontline staff at HHSC facilities.

(b) Expansion of Community Inpatient Beds

- (1) State Hospital Contracted Beds.** \$10,200,000 in each fiscal year in Strategy G.2.2, Mental Health Community Hospitals, to expand contracted bed capacity by 40 beds.
- (2) Inpatient Contracted Beds.** \$161,250,000 in each fiscal year in Strategy G.2.2, Mental Health Community Hospitals, for up to 234 additional state-purchased inpatient psychiatric beds, including beds in rural and urban communities and for contract rate adjustments as needed, and to contract for an additional 150 competency restoration beds.

(c) Step-down Housing and State Hospital Transitions

- (1) State Hospital Transition Teams.** \$4,279,158 in fiscal year 2024 and \$4,185,891 in fiscal year 2025 in Strategy G.2.1, Mental Health State Hospitals, to establish state hospital transition teams to support individuals statewide who are at risk of state hospital readmission by providing coordination and support to address mental health needs in the community.
- (2) Step-Down Housing Expansion.** \$8,500,000 in each fiscal year in Strategy D.2.1, Community Mental Health Services (MHS) for Adults, to expand step-down housing programs statewide to identify, assess, and transition patients with acute mental health and/or medical needs from hospitals to community settings with appropriate supports.

Sec. 10.07 Informational Listing - Mental Health Funding for Continued Transformation.

The following is an informational listing of appropriations above 2022-23 levels for mental health funding made elsewhere in this Act to the Health and Human Services Commission (HHSC):

(a) HHSC Frontline Staff

Salary Increases. \$98,075,062 in fiscal year 2024 and \$98,074,155 in fiscal year 2025 in General Revenue in Strategy G.1.1, State Supported Living Centers, and \$65,003,596 in General Revenue in each fiscal year in Strategy G.2.1, Mental Health State Hospitals, to maintain salary increases for frontline staff at HHSC facilities.

(b) Expansion of Community Inpatient Beds

- (1) State Hospital Contracted Beds.** \$4,197,500 in each fiscal year in Strategy G.2.1, Mental Health State Hospitals, to contract for 20 competency restoration beds and \$4,068,000 in each fiscal year in Strategy G.2.2, Mental Health Community Hospitals, to expand contracted bed capacity by 16 beds.
- (2) John S. Dunn Behavioral Sciences Center.** \$4,730,400 in each fiscal year in Strategy G.2.1, Mental Health State Hospitals, to increase funding for 144 beds at the John S. Dunn Behavioral Sciences Center; and \$6,132,000 in each fiscal year in Strategy G.2.1, Mental Health State Hospitals, to expand state hospital capacity at the John S. Dunn Behavioral Sciences Center by 24 beds. It is the intent of the Legislature that the additional beds be dedicated to addressing the state hospital forensic waitlist.
- (3) Purchased Psychiatric Beds.** \$109,665,384 in each fiscal year in Strategy G.2.2, Mental Health Community Hospitals, for up to 234 additional state-purchased inpatient psychiatric beds, including beds in rural and urban communities, and contract rate adjustments as needed. HHSC shall expend \$5,840,000 of this funding in each fiscal year for the Intensive Psychiatric Stabilization Program dedicated to children in Department of Family and Protective Services (DFPS) conservatorship and shall prioritize an additional 20 contracted beds for children in DFPS conservatorship. It is the intent of the legislature that the Intensive Psychiatric Stabilization Program shall first serve children statewide with the highest priority.

**ARTICLE IX
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(Continued)

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(d) **Crisis Services**

- (1) **Crisis Stabilization Units.** \$18,000,000 in each fiscal year in Strategy D.2.3, Community Mental Health Crisis Services (CMHCS), to fund six additional crisis stabilization units to provide a short-term alternative to hospital admission to reduce acute symptoms of mental illness.
- (2) **Crisis Respite Units for Youth.** \$5,750,000 in each fiscal year in Strategy D.2.3, Community Mental Health Crisis Services (CMHCS), to fund four additional crisis respite units that serve youth and to pilot three peer-run units.
- (3) **Youth Mobile Crisis Outreach Teams.** \$4,000,000 in each fiscal year in Strategy D.2.3, Community Mental Health Crisis Services (CMHCS), to establish youth mobile crisis outreach teams to reduce the risk of hospitalization from acute mental health illness and transition youth into care.

(e) **Community Mental Health Grant Programs**

- (1) **Mental Health Grant for Justice-Involved Individuals (MHGJII) Program.** \$15,000,000 in General Revenue in each fiscal year in Strategy D.2.6, Community Mental Health Grant Programs, to expand the 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.
- (2) **Community Mental Health Grant Program.** \$7,500,000 in General Revenue in each fiscal year in Strategy D.2.6, Community Mental Health Grant Programs, to expand the community mental health grant program established pursuant to Government Code, Section 531.0991.
- (3) **Innovation Grants.** \$32,500,000 in each fiscal year in Strategy D.2.6, Community Mental Health Grant Programs, for an innovation grant program to support a variety of community-based initiatives that improve access to care for children and families, such as programs that reduce juvenile justice involvement, relinquishment, and preventable emergency room visits, and provide mental health prevention and intervention services. HHSC shall ensure at least half of the appropriated innovation grant funds are used to

- (4) **Inpatient Capacity Expansion.** \$45,834,616 in each fiscal year in Strategy G.2.2, Mental Health Community Hospitals, to contract for an additional 150 competency restoration beds.
- (5) **Sunrise Canyon Operational Funding.** \$2,900,000 in each fiscal year in Strategy G.2.2, Mental Health Community Hospitals, to increase funding for existing Sunrise Canyon Hospital inpatient beds.

(c) **Step-down Housing and State Hospital Transitions**

- (1) **State Hospital Transition Teams.** \$2,500,000 in each fiscal year in Strategy G.2.1, Mental Health State Hospitals, to establish state hospital transition teams to support individuals statewide who are at risk of state hospital readmission by providing coordination and support to address mental health needs in the community.
- (2) **Step-Down Housing Expansion.** \$8,500,000 in each fiscal year in Strategy D.2.1, Community Mental Health Services (MHS) for Adults, to expand step-down housing programs statewide to identify, assess, and transition patients with acute mental health and/or medical needs from hospitals to community settings with appropriate supports.

(d) **Crisis Services**

- (1) **Crisis Stabilization Units.** \$18,000,000 in each fiscal year in Strategy D.2.3, Community Mental Health Crisis Services (CMHCS), to fund six additional crisis stabilization units, and \$2,500,000 in fiscal year 2024 for the crisis stabilization unit at the Certified Community Behavioral Health Clinic that services Montgomery, Walker, and Liberty Counties, to provide a short-term alternative to hospital admission to reduce acute symptoms of mental illness.
- (2) **Crisis Respite Units for Youth.** \$5,750,000 in each fiscal year in Strategy D.2.3, Community Mental Health Crisis Services (CMHCS), to fund four additional crisis respite units that serve youth and to pilot three peer-run units.
- (3) **Youth Mobile Crisis Outreach Teams.** \$4,000,000 in each fiscal year in Strategy D.2.3,

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provide mental health services at Independent School Districts.

(f) **Expansion of Programs for High-Risk Children**

- (1) **Multisystemic Therapy.** \$15,225,000 in each fiscal year in Strategy D.2.2, Community Mental Health Services (MHS) for Children, to expand multisystemic therapy, which provides community-based treatment for at-risk youth with intensive needs and their families.
- (2) **Coordinated Specialty Care.** \$2,100,000 in each fiscal year in Strategy D.2.1, Community Mental Health Services (MHS) for Adults, to expand coordinated specialty care.
- (3) **Mental Health Services for the Uvalde Community.** \$5,000,000 in each fiscal year in Strategy D.2.1, Community Mental Health Services (MHS) for Adults, to partner with the Hill Country Local Mental Health Authority to provide ongoing mental health services support for the Uvalde community.

The following is an informational listing of appropriations above 2022-23 levels for mental health funding made elsewhere in this Act to the Texas Higher Education Coordinating Board (THECB):

(g) **State Mental Health Workforce.**

- (1) **Professional Nursing Shortage Reduction Program:** \$27,919,952 in Strategy D.1.6, Professional Nursing Shortage Reduction Program.
- (2) **Nursing Faculty Loan Repayment Program:** \$4,075,000 in Strategy C.1.3, Educational Loan Repayment Program.
- (3) **Loan Repayment Program for Mental Health Professionals:** \$24,828,124 in Strategy C.1.3, Educational Loan Repayment Program.

(h) **Texas Child Mental Health Care Consortium.** \$156,247,586 in Strategy D.1.7, Child Mental Health Care Consortium.

Community Mental Health Crisis Services (CMHCS), to establish youth mobile crisis outreach teams to reduce the risk of hospitalization from acute mental health illness and transition youth into care.

(e) **Community Mental Health Grant Programs**

- (1) **Mental Health Grant for Justice-Involved Individuals (MHGJII) Program.** \$15,000,000 in General Revenue in each fiscal year in Strategy D.2.6, Community Mental Health Grant Programs, to expand the 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.
- (2) **Community Mental Health Grant Program.** \$7,500,000 in General Revenue in each fiscal year in Strategy D.2.6, Community Mental Health Grant Programs, to expand the community mental health grant program established pursuant to Government Code, Section 531.0991.
- (3) **Innovation Grants.** \$7,500,000 in each fiscal year in Strategy D.2.6, Community Mental Health Grant Programs, for an innovation grant program to support a variety of community-based initiatives that improve access to care for children and families, such as programs that reduce juvenile justice involvement, relinquishment, and preventable emergency room visits.
- (4) **Healthy Community Collaboratives.** \$4,000,000 in each fiscal year in Strategy D.2.6, Community Mental Health Grant Programs, to expand grants for the Healthy Community Collaboratives funding public/private collaboratives to address homelessness pursuant to Government Code, Section 539.002.

(f) **Expansion of Programs for High-Risk Children**

- (1) **Multisystemic Therapy.** \$15,225,000 in each fiscal year in Strategy D.2.2, Community Mental Health Services (MHS) for Children, to expand multisystemic therapy, which provides community-based treatment for at-risk youth with intensive needs and their families.

Part 10.

**ARTICLE IX
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In addition to amounts appropriated elsewhere in this Act, it is the intent of the Legislature to provide funding for the following mental health programs in the supplemental appropriation bill for fiscal year 2023:

(i) **New Capacity for Inpatient Facilities.**

- (1) **New Panhandle Capacity.** \$477,000,000 in Strategy G.4.2, Capital Repair and Renovation at SSLCs, State Hospitals, and Other, for expansion of mental health inpatient capacity in the Panhandle region.
- (2) **Rio Grande State Center.** \$452,000,000 in Strategy G.4.2, Capital Repair and Renovation at SSLCs, State Hospitals, and Other, for construction to increase capacity at the Rio Grande State Center by 148 beds.
- (3) **Terrell State Hospital.** \$696,000,000 in Strategy G.4.2, Capital Repair and Renovation at SSLCs, State Hospitals, and Other, for construction of a 308-bed replacement campus of Terrell State Hospital.
- (4) **North Texas State Hospital - Wichita Falls.** \$696,000,000 in Strategy G.4.2, Capital Repair and Renovation at SSLCs, State Hospitals, and Other, for construction of a 308-bed replacement campus of North Texas State Hospital - Wichita Falls.

- (2) **Coordinated Specialty Care.** \$2,100,000 in each fiscal year in Strategy D.2.1, Community Mental Health Services (MHS) for Adults, to expand coordinated specialty care.
- (3) **Mental Health Services for the Uvalde Community.** \$5,000,000 in each fiscal year in Strategy D.2.1, Community Mental Health Services (MHS) for Adults, to partner with the Hill Country Local Mental Health Authority to provide ongoing mental health services support for the Uvalde community.
- (4) **Youth Empowerment Services (YES) Waiver Rates.** \$600,000 in each fiscal year in Strategy D.2.5, Behavioral Health Waiver and Plan Amendment, to increase rates for the YES waiver.
- (5) **Community Resource Coordination Groups (CRCGs).** \$1,421,000 in each fiscal year in Strategy F.3.3, Additional Advocacy Programs, to expand coverage of CRCGs statewide.

(g) **Behavioral Health Administration**

- (1) **Contracted Inpatient Bed Administration.** \$585,121 in fiscal year 2024 and \$546,259 in fiscal year 2025 in Strategy D.2.7, Community Behavioral Health Administration, for administration and oversight funds for new contracted inpatient beds.
- (2) **Community Mental Health Grant Programs Administration.** \$535,658 in fiscal year 2024 and \$485,025 in fiscal year 2025 in Strategy D.2.7, Community Behavioral Health Administration, for administration and oversight funds for new funding for community mental health grant programs.
- (3) **Budget Execution Order Sustainability.** \$411,332 in fiscal year 2024 and \$365,585 in fiscal year 2025 in Strategy D.2.7, Community Behavioral Health Administration, for administration and oversight funds for new funding for multisystemic therapy, coordinated specialty care, and mental health services in the Uvalde area.
- (4) **Crisis Services Administration.** \$345,191 in fiscal year 2024 and \$321,875 in fiscal year 2025 in Strategy D.2.7, Community Behavioral Health Administration, for administration

**ARTICLE IX
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and oversight funds for new funding for community mental health crisis services.

- (5) **Innovation Grants Administration.** \$88,079 in fiscal year 2024 and \$80,306 in fiscal year 2025 in Strategy D.2.7, Community Behavioral Health Administration, for administration and oversight funds for new funding for innovation grants.

The following is an informational listing of appropriations above 2022-23 levels for mental health funding made elsewhere in this Act to the Texas Higher Education Coordinating Board (THECB):

- (h) **State Mental Health Workforce.**
 - (1) **Professional Nursing Shortage Reduction Program:** \$27,919,952 in Strategy D.1.6, Professional Nursing Shortage Reduction Program.
 - (2) **Nursing Faculty Loan Repayment Program:** \$4,075,000 in Strategy C.1.3, Educational Loan Repayment Program.
 - (3) **Loan Repayment Program for Mental Health Professionals:** \$24,828,124 in Strategy C.1.3, Educational Loan Repayment Program.
- (i) **Texas Child Mental Health Care Consortium.** \$156,247,586 in Strategy D.1.7, Child Mental Health Care Consortium.

In addition to amounts appropriated elsewhere in this Act, it is the intent of the Legislature to provide funding for the following mental health programs in the supplemental appropriation bill for fiscal year 2023:

- (j) **New Capacity for Mental Health Services and Inpatient Facilities.**
 - (1) **Uvalde Behavioral Health Campus.** \$33,600,000 in General Revenue in Strategy G.4.2, Facility Capital Repairs and Renovation at SSLCs, State Hospitals, and Other, for construction of a behavioral health campus in Uvalde, of which 50 percent of beds will be forensic;
 - (2) **Grants Management System.** \$21,400,000 in General Revenue in Strategy L.1.2,

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Information Technology Capital Projects Oversight and Program Support, for a grants management system for improving mental health outcomes;

- (3) **Dallas State Hospital.** \$38,048,000 in General Revenue in Strategy G.4.2, Facility Capital Repairs and Renovation at SSLCs, State Hospitals, and Other, for additional construction funding for the new state hospital in Dallas;
- (4) **State Hospitals - Electronic Health Record System Upgrade.** \$38,772,184 in General Revenue in Strategy L.1.2, Information Technology Capital Projects Oversight and Program Support, and \$100,870 in General Revenue and \$48,206 in Federal Funds in Strategy L.2.1, Central Program Support, to provide an electronic health record system upgrade for state hospitals;
- (5) **Deferred Maintenance Needs for State Facilities.** \$50,000,000 in General Revenue in Strategy G.4.2, Facility Capital Repairs and Renovation at SSLCs, State Hospitals, and Other, for deferred maintenance needs for state facilities;
- (6) **Lubbock Campus.** \$121,000,000 in General Revenue in Strategy G.4.2, Facility Capital Repairs and Renovation at SSLCs, State Hospitals, and Other, to construct a 50-bed state hospital maximum security facility on the existing state supported living center campus in Lubbock;
- (7) **San Antonio State Hospital.** \$15,000,000 in General Revenue in Strategy G.4.2, Facility Capital Repairs and Renovation at SSLCs, State Hospitals, and Other, to rehabilitate the Alamo Unit at the San Antonio State Hospital campus to a 40-bed state hospital maximum security facility;
- (8) **Amarillo State Hospital.** \$212,000,000 in General Revenue in Strategy G.4.2, Facility Capital Repairs and Renovation at SSLCs, State Hospitals, and Other, to construct a 100-bed state hospital in Amarillo with at least 85 percent of bed capacity designed to be forensic;
- (9) **Facility in the Rio Grande Valley.** \$120,000,000 in General Revenue in Strategy G.4.2, Facility Capital Repairs and Renovation at SSLCs, State Hospitals, and Other, to construct a 50-bed state hospital maximum security facility in the Rio Grande Valley;

**ARTICLE IX
HEALTH-RELATED PROVISIONS**

Differences Only - Excludes Capital
(Continued)

House

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- (10) **Terrell State Hospital.** \$573,000,000 in General Revenue in Strategy G.4.2, Facility Capital Repairs and Renovation at SSLCs, State Hospitals, and Other, to construct a 250-bed replacement campus of Terrell State Hospital, including 50 maximum security beds, 140 forensic beds, 35 adolescent beds, and 25 civil beds;
- (11) **North Texas State Hospital - Wichita Falls.** \$452,000,000 in General Revenue in Strategy G.4.2, Facility Capital Repairs and Renovation at SSLCs, State Hospitals, and Other, to construct a 200-bed replacement of North Texas State Hospital - Wichita Falls, including 24 maximum security beds, 136 forensic beds, 24 adolescent beds, and 16 civil beds;
- (12) **El Paso State Hospital.** \$115,000,000 in General Revenue in Strategy G.4.2, Facility Capital Repairs and Renovation at SSLCs, State Hospitals, and Other, to construct a state hospital facility in El Paso with 50 forensic beds;
- (13) **University of Texas at Tyler facility.** \$7,000,000 in General Revenue in Strategy G.4.2, Facility Capital Repairs and Renovation at SSLCs, State Hospitals, and Other, to renovate a facility to add an additional 44 forensic and civil complex medical needs inpatient beds at the University of Texas at Tyler;
- (14) **Sunrise Canyon facility in Lubbock.** \$45,000,000 in General Revenue in Strategy G.4.2, Facility Capital Repairs and Renovation at SSLCs, State Hospitals, and Other, to construct 30 additional beds (up to 50 percent of which must be forensic) at the Sunrise Canyon facility in Lubbock;
- (15) **Mental Health Grant Program.** \$100,000,000 in General Revenue in Strategy G.4.2, Facility Capital Repairs and Renovation at SSLCs, State Hospitals, and Other, to establish a one-time community mental health grant program for county-based collaboratives. These funds may only be expended on construction of jail diversion facilities, step-down facilities, permanent supportive housing, crisis stabilization units, and crisis respite units. These funds may not be expended on office space. These funds require a local match at least equal to:

- a. 25 percent of the grant amount if the collaborative includes a county with a

ARTICLE IX
HEALTH-RELATED PROVISIONS

Differences Only - Excludes Capital
(Continued)

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population of less than 100,000;

- b. 50 percent of the grant amount if the collaborative includes a county with a population of 100,000 or more but less than 250,000;
- c. 100 percent of the grant amount if the collaborative includes a county with a population of 250,000 or more; and
- d. the percentage of the grant amount otherwise required by this subsection for the largest county included in the collaborative, if the collaborative includes more than one county; and

(16) **Grant Program to Construct a Mental Health Inpatient Facility.** \$170,000,000 in General Revenue in Strategy G.4.2, Facility Capital Repairs and Renovation at SSLCs, State Hospitals, and Other, to establish a one-time grant program to construct a mental health inpatient facility with at least 50 percent forensic capacity as listed below. Land and utility connections for any construction project must be donated. Of this funding:

- a. \$85,000,000 is to be used for construction of up to 100 inpatient beds in the Rio Grande Valley region;
- b. \$50,000,000 is to be used for construction of up to 100 inpatient beds in Montgomery County; and
- c. \$40,000,000 is to be used for construction of up to 60 inpatient beds in Victoria County.

ARTICLE IX
MISCELLANEOUS PROVISIONS

Differences Only - Excludes Capital

House

Senate

Sec. 17.19. Project Baby Dillo Critically Ill Newborn Whole Genome Sequencing (WGS) Demonstration.

- (a) Included in funds appropriated elsewhere in this Act, the Health and Human Services Commission is appropriated \$4,000,000 in General Revenue for the one-time purpose of demonstrating improved clinical outcomes and cost savings associated with the utilization of Whole Genome Sequencing for low-income neonatal and pediatric intensive care patients. To administer the demonstration, HHSC shall expend \$2,000,000 per fiscal year with the University of Texas Health Science Center at Houston for program administration, clinical referral partners, and sequencing. The University of Texas Health Science Center at Houston shall coordinate with the Baylor College of Medicine Human Genome Sequencing Center, the Health and Human Services Commission, the Department of State Health Services, participating clinical referral sites within Texas, and patient representatives to collaborate on the development and implementation of the demonstration.
- (b) The agencies shall meet quarterly to carry out coordination activities as described above.
- (c) The agencies shall submit a report to the Governor, the Lieutenant Governor, the Speaker of the House of Representatives, and the standing committee of each house of the Legislature with primary jurisdiction over pediatric health issues and post on its Internet website a written report no later than December 1, 2024, describing:
 - (1) the activities and objectives of the demonstration, including an analysis of the cost effectiveness of the activities and a description of the health outcomes achieved and anticipated for cases;
 - (2) the health-related institutions of higher education and participating clinical referral partners that receive funding under the demonstration; and
 - (3) any recommendations based on the activities of the demonstration, including recommendations related to improving the availability of genetic services and workforce.

ARTICLE IX
MISCELLANEOUS PROVISIONS
Differences Only - Excludes Capital
(Continued)

House

Senate

Sec. 17.20. Proportional Reduction of General Revenue Appropriations.

- (a) Each appropriation from the general revenue fund made by this Act for use during fiscal year 2024, other than the appropriations made to the Health and Human Services Commission for Strategy D.1.2, Alternatives to Abortion (page II-41), are reduced proportionally to reach a total of \$40,000,000 of reductions in the appropriations made from the general revenue fund by this Act.
- (b) Each appropriation from the general revenue fund made by this Act for use during fiscal year 2025, other than the appropriations made to the Health and Human Services Commission for Strategy D.1,2, Alternatives to Abortion (page II-41), are reduced proportionally to reach a total of \$40,000,000 of reductions in the appropriations made from the general revenue fund by this Act.