

Health and Human Services Commission Executive Council June 24, 2021



1. Welcome and Opening Remarks

Call to order—The meeting was called to order by the Executive Commissioner Young

Roll call. A quorum was established

Explanation of proceedings using Microsoft Teams live event—Ms. Marks explained the technology and event.

Executive Commissioner's welcome and remarks. The Executive Commissioner stated that employees are transitioning back to their workstations. The new north Austin complex is open. Almost all exceptional items received almost full or partial funding. The team is submitting a request for extension of the 1115 waiver.

Chief Officers' remarks. No remarks made.

Department of State Health Services Commissioner's remarks. The Commissioner commented on COVID. We are in a different phase of the pandemic compared to march. There has been a decrease in the amount of COVID disease in Texas: 2,538,908 incidents of COVID 19 and 51,092 fatalities. The Commissioner commented on activities they have engaged in including: contact tracing, reporting, messaging, community engagement, vaccine activities. Texans 12 and over are eligible to receive the vaccine. There are now 6 variants of concern. The more who get vaccinated the lower the risk from the variants. Influenza numbers have been very low largely due to the mitigation efforts from COVID 19.

Inspector General's Quarterly Report. <u>Reports | Inspector General (texas.gov)</u> 135 million dollars have been recovered in the **third quarter**; 6 audit reports have been published and 68 providers have been excluded from the Medicaid program. The third quarter will be reported and available shortly on the website link above.

<u>Quarterly Report: Quarter 2, FY 2021</u> The IG Quarterly Report for the second quarter of fiscal year 2021



Health and Human Services Commission (HHSC) 87th Legislative Session update

Staff tracked hundreds of bills with 243 bills being sent to the governor. Bills that were passed included

- County mental health grants
- Juvenile Justice
- Procurement process
- Temporary relocation of child caring facilities

HHSC is in the process of implementing the legislation

HHSC Appropriations update—15 of the 17 Els were fully or partially funded. Some of the funding came through the Supplemental Appropriations Bill.

1115 Texas Healthcare Transformation Quality Improvement Program Waiver Extension Application. Texas had submitted an extension application in November. A new extension application was required. The application is to address the financial security for the Medicaid program. HHSC began the public notice process and written comments are being received through June 28th. More than 500 comments have been received. Then the final packet will be prepared for submission to CMS.

2. Home and Community-based Services federal medical assistance

percentage increase. There was a 10% enhanced federal match to enhance or expand community-based services. HHSC is determining what actions will be taken. Stakeholders are being involved with using the enhanced FMAP.

Public Comment.

Sarah Mills, Texas Association for Homecare and Hospice stated a letter has been sent to the Commissioner. She read from the letter. The services that have been provided have not seen a rate increase in 6 years. They offered their assistance to participate in a work group addressing the rate issues and other issues.

3. Rule proposals*

3.A. Administrative Procedure Act (APA) public comment period has closed None



<u>3.B. Submitted to the Texas Register – APA public comment period has not</u> <u>closed</u>‡

Rule. HHSC proposes a new rule in TAC, Title 1, Part 15, Chapter 355, Reimbursement Rates, Subchapter J, Division 11, §355.8217, concerning Payments to Public Health Providers for Charity Care

Background. The Texas Health and Human Services Commission (HHSC) proposes new Section 355.8217, concerning Payments to Public Health Providers for Charity Care.

The purpose of the new rule is to authorize HHSC to implement the Public Health Provider – Charity Care Program (PHP-CCP) payments to be available for eligible providers. These payments will help defray the uncompensated costs of charity care beginning October 1, 2022.

The PHP-CCP under the 1115 waiver reimburses certain costs for qualifying providers associated with providing care, including behavioral health, immunizations, chronic disease prevention, and other preventative services for the uninsured. This program was created as part of the 1115 waiver extension and will provide an opportunity for reimbursement of charity care costs (or Medicaid shortfall in the first year of the program).

In accordance with the Special Terms and Conditions of the 1115 waiver, to participate in the program, providers must be funded by a unit of government able to certify public expenditures. Publicly-owned and operated providers eligible to participate include:

- The following providers established under Texas Health and Safety Code Chapters 533 or 534 and primarily providing behavioral health services.
 - Community Mental Health Clinics (CMHCs)
 - Community Centers
 - Local Behavioral Health Authorities (LBHAs)
 - Local Mental Health Authorities (LMHAs)
- Local Health Departments (LHDs) and Public Health Districts (PHDs) established under the Texas Health and Safety Code Chapter 121.

Fiscal Impact. None Reported

Rule Development Scheduled

May 28, 2021	Publish proposed rules in Texas Register
June 10, 2021	Present to the Medical Care Advisory Committee

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June 24, 2021Present to HHSC Executive CouncilSeptember 2021Publish adopted rules in Texas RegisterSeptember 2021Effective Date

No public comment was offered

Rule. <u>HHSC proposes the amendments to rules in TAC, Title 1, Part 15, Chapter 353, Medicaid</u> <u>Managed Care, Subchapter O, §353.1302 and §353.1304, concerning Quality Incentive Payment</u> <u>Program Accelerated Payment and Metric Rule Change</u>

Background. The Texas Health and Human Services Commission (HHSC) proposes to amend Texas Administrative Code (TAC) Title 1, Part 15, Chapter 353, Subchapter O, Section 353.1302, relating to Quality Incentive Payment Program for Nursing Facilities on or after September 1, 2019, and Section 353.1304, relating to Quality Metrics for the Quality Incentive Payment Program for Nursing Facilities on or after September 1, 2019.

The proposed amendment to Section 353.1302 adjusts the Quality Incentive Payment Program (QIPP) funding allocation to increase the allocation percentage from 30 percent to 40 percent in Component 2 (paid monthly) and decrease the allocation percentage from 70 percent to 60 percent in Component 3 (paid quarterly). The additional proposed amendments would discontinue an unnecessary requirement, provide increased clarity, and ensure that the language in this section corresponds to similar language in other sections of Subchapter O.

The proposed amendments to Section 353.1304 remove set types of quality metrics and related performance requirements for each program year in favor of a public notice and hearing process. This proposed change allows the program to be adapted on an annual basis to ensure quality objectives are continually improved. This amendment would also clarify HHSC's validation requirements for reviews of self-reported data in the program.

Fiscal Impact. None Reported

Rule Development Schedule.

May 28, 2021	Publish proposed rules in Texas Register
June 10, 2021	Present to the Medical Care Advisory Committee
June 24, 2021	Present to HHSC Executive Council
August 2021	Publish adopted rules in Texas Register



September 2021

Effective date

No public comment was offered.

Rule. <u>HHSC proposes the amendment to a rule in TAC, Title 1, Part 15, Chapter 355,</u> <u>Reimbursement Rates, Subchapter J, Division 4, §355.8052, concerning Inpatient Hospital</u> <u>Reimbursement</u>

Background. The Texas Health and Human Services Commission proposes to amend §355.8052, relating to Inpatient Hospital Reimbursement. The purpose of the proposed amendment to §355.8052 is to comply with S.B. 170, 86th Legislature, Regular Session 2019 and S.B. 1621, 86th Legislature, Regular Session, 2019. HHSC is required by S.B. 170, to the extent allowed by law, to calculate Medicaid rural hospital inpatient rates using a cost-based prospective reimbursement methodology. Additionally, HHSC must calculate rates for rural hospitals once every two years, using the most recent cost information available. The current rule does not require a biennial review of the rural hospital rates. Rates have not been realigned or rebased since state fiscal year 2014. Previously, HHSC converted the rural hospital reimbursement from the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) to the prospective payment All Patient Refined Diagnosis Related Group (APR-DRG) methodology.

Pursuant to S.B. 170 and S.B. 1621, HHSC's managed care contracts require MCOs to reimburse rural hospitals using a minimum fee schedule for services delivered through the Medicaid managed care program. The proposed amendment adds subsection (e)(4), requiring a Medicaid minimum fee schedule for all rural hospitals, to conform the rule to the contracts.

Presently, §355.8052 explains the standard dollar amount (SDA) rate-setting process by addressing the multiple hospital types (rural, urban, and children's) concurrently. The proposed amendment arranges the rule by hospital type to enhance clarity, consistency, and specificity. The amendment adds and modifies definitions, including "rebasing" and "realignment." The proposed amendment also specifies a policy for updating DRG statistical calculations to align with grouper changes.

Fiscal Impact. None Reported

Rule Development Schedule.

June 3, 2021	Present to Hospital Payment Advisory Committee
June 10, 2021	Present to Medical Care Advisory Committee
June 24, 2021	Present to HHSC Executive Council
June 25, 2021	Publish proposed rules in Texas Register

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August 2021Publish adopted rules in Texas RegisterSeptember 2021Effective date

No public comment was offered.

Rule. <u>HHSC proposes the amendment to a rule in TAC, Title 25, Part 1, Chapter 417, Agency</u> and Facility Responsibilities, Subchapter A, §417.47; and proposes the amendments to rules in Title 40, Part 1, Chapter 3, Responsibilities of State Facilities, Subchapter D, §§3.401 - 3.403, concerning Training Requirements

Background. The Texas Health and Human Services Commission (HHSC) proposes amendments to Section 417.47, in Texas Administrative Code (TAC), Title 25, Part 1, Chapter 417, Subchapter A, Standard Operating Procedures; and Sections 3.401, 3.402, 3.403, in 40 TAC, Part 1, Chapter 3, Subchapter D, Training.

The Health and Specialty Care System (HSCS) has many staff who are sick, must stay at home due to positive COVID-19 tests or presumed illness, or have resigned. HSCS is actively hiring, as conditions allow, to make up for staff absences and vacancies. To enable new staff to begin providing critical services faster during COVID-19, we adopted emergency amended rules that allowed for condensed new employee orientation that includes the most essential content (e.g., safe use of restraints and the rights of the individuals we serve).

This condensed training for state hospitals and state supported living centers allows new staff to more quickly begin their job duties and ease the staffing crisis caused by the pandemic. Staff hired during the crisis and staff due annual refresher training will complete all deferred training at the earliest opportunity. Even though some content is suspended, HSCS staff are still expected to be familiar with the unique needs of the individuals they work with directly.

Additionally, HSCS provides infection control training specific to COVID-19 that is a requirement added to the emergency amended rules.

The emergency amended rules were initially effective on February 15, 2021 and expired on June 14, 2021. The extension was filed on June 14, 2021, which will expire on August 13, 2021. These amended rules, Sections 417.47, 3.401, 3.402, and 3.403, are identical to the emergency amended rules, Sections 417.47, 3.401, 3.402, and 3.403. These amended rules will be adopted on August 13, 2021, to continue the new training provisions.



Fiscal Impact. None Reported

Rule Development Schedule.

June 4, 2021	Publish proposed rules in Texas Register
June 24, 2021	Present to HHSC Executive Council
August 2021	Publish adopted rules in Texas Register
August 2021	Effective date

3.C. Not yet submitted to the Texas Register for APA public comment

Rule. <u>Department of State Health Services proposes the amendments to rules in TAC, Title 25,</u> <u>Part 1, Chapter 295, Occupational Health, Subchapter I, 295.202 and §295.212, concerning</u> <u>Texas Environmental Lead Reduction</u>

Background. The proposed amendments in Texas Administrative Code (TAC), Title 25, Part 1, Chapter 295, Subchapter I, §295.202, relating to Definitions, and §295.212, relating to Standards for Conducting Lead-Based Paint Activities are necessary to comply with Texas Occupations Code, §1955.051, which requires that the Texas environmental lead reduction rules be consistent with federal standards. The Environmental Lead Program (program) is updating the Texas environmental lead reduction rules for consistency with the United States Environmental Protection Agency (EPA) regulation under 40 Code of Federal Regulations (CFR), §745.227(h)(3), effective January 6, 2020, and 40 CFR §§745.223 and 745.227(e)(8)(viii), effective December 21, 2020, and as required in 40 CFR §745.325(e)(1).

The EPA lowered the dust-lead hazard standards and dust-lead clearance standards for lead in dust on floors and window sills from 40 micrograms (mg.) of lead in dust per square foot (ft²) on floors and 250 μ g of lead in dust per ft² on interior window sills, to 10 μ g/ft² and 100 μ g/ft², respectively. The EPA provided that states authorized to administer lead abatement programs have two years to update the state rules to be at least as protective as the new EPA rule. As a result, the deadline for implementation of the federal dust-lead hazard standard is January 6, 2022, and the dust-lead clearance standard is March 8, 2023.

The amendments only affect the new federal amendments to correct outdated references, including the EPA dust-lead standards, and edit the rule language for consistency with EPA and health and human services formatting of the rules.



Fiscal Impact. None Reported

Rules Development Schedule.

June 24, 2021	Present to HHSC Executive Council
July 2021	Publish proposed rules in Texas Register
November 2021	Publish adopted rules in Texas Register
November 2021	Effective date

No public comment was reported

Rule. <u>HHSC proposes the amendments to rules in TAC, Title 1, Part 15, Chapter 354, Medicaid</u> <u>Health Services, Subchapter F, Division 8, §354.1941 and §354.1942, concerning Texas Drug</u> <u>Utilization Review Board and Conflict of Interest</u>

Background. HHSC is proposing amendments to §354.1941, concerning Drug Utilization Review Board, and §354.1942, concerning Conflict of Interest Policy. To increase transparency about financial and other relationships members of the Texas Drug Utilization Review Board (DUR Board) may have with drug manufacturers with business before the DUR Board, HHSC determined to strengthen the conflict-of-interest provisions to which the members of the DUR Board are subject. In Texas, the DUR Board makes recommendations about the drugs that should be included on the Medicaid Preferred Drug List (PDL) and whether drugs will be subject to PDL prior authorizations and suggestions on clinical prior authorizations.

The proposed amendments strengthen current conflict-of-interest policies applicable to DUR Board members. These strengthened policies increase transparency by requiring DUR Board members to disclose financial relationships with drug manufacturers or labelers with products before the DUR Board, minimize the opportunity for pharmaceutical manufacturers or labelers to influence a member of the DUR Board when making recommendations about the Preferred Drug List (PDL), and increase public confidence in DUR Board decisions.

Other proposed amendments ensure DUR Board membership aligns with the Social Security Act §1927(g)(3) and Texas Government Code §531.0736; define terms; and align language with state and federal definitions.

Fiscal Impact. None Reported

Rule Development Schedule.



June 10, 2021Present to the Medical Care Advisory CommitteeJune 24, 2021Present to HHSC Executive CouncilJuly 2021Publish proposed rules in Texas RegisterNovember 2021Publish adopted rules in Texas RegisterNovember 2021Effective date

No public comment was offered.

Rule. <u>HHSC proposes the amendments to rules in TAC, Title 26, Part 1, Chapter 554, Nursing</u> <u>Facility Requirements for Licensure and Medicaid Certification, Subchapters D, K, M, and Q,</u> <u>concerning Infection Control Requirements, Consent for Antipsychotic Medications, and</u> <u>Facility Construction Rule Clarification</u>

Background. The proposed amendments will implement House Bill (H.B.) 1848 and H.B. 2050, 86th Legislature, Regular Session, 2019. H.B. 1848 adds §§81.014 and 81.015 to Texas Health and Safety Code, which requires the infection prevention and control program of a long-term care facility, including a nursing facility, to include certain elements. H.B. 2050 amends Texas Health and Safety Code §242.505 to specify that a nursing facility resident must consent to the prescription of an antipsychotic or neuroleptic medication in writing on an HHSC-prescribed form. Consent must be given by the resident or a resident's authorized representative, and the nursing facility must file the consent form in the resident's clinical record. The proposed amendments require a nursing facility to provide annual infection control in-service training for nurse aides. This change is consistent with amendments currently proposed to training requirements in 26 TAC Chapter 556, Nurse Aides, which was published in the March 12, 2021, issue of the *Texas Register* (46 TexReg 1597).

Additionally, the proposed amendments to 26 TAC Chapter 554, Subchapter D, Facility Construction, clarify the requirements for annual fire marshal inspections, correct rule cross-references, and amend other facility construction requirements for clarity and consistency.

The proposed amendments also update rule references that became outdated as a result of the administrative transfer from 40 TAC Chapter 19 to 26 TAC Chapter 554, reflect the transfer of functions from the Department of Human Services or the Department of Aging and Disability Services to HHSC, update terminology, and remove outdated references.

Fiscal Impact. None Reported



June 24, 2021Present to HHSC Executive CouncilJuly 2021Publish proposed rules in Texas RegisterNovember 2021Publish adopted rules in Texas RegisterNovember 2021Effective date

No public comment was offered.

4. eHealth Advisory Committee Recommendations*

The recommendations were read to the Council. The recommendations may be found following the link. <u>e-Health Advisory Committee Annual Report (texas.gov)</u>

5. Recent Rule Adoptions - Information item not for discussion

Adoptions submitted to the Texas Register that are not yet effective

20R101 Minimum Standards for Child-Placing Agencies, effective 6/27/21 <u>https://www.sos.texas.gov/texreg/archive/June42021/Adopted%20Rules/26.HEALTH%</u> 20AND%20HUMAN%20SERVICES.html#94(link is external)

The Texas Health and Human Services Commission (HHSC) adopts amendments to §§749.801, 749.867, 749.869, 749.881, 749.882, 749.883, 749.885, 749.933, 749.935, 749.937, 749.941, 749.943, 749.944, 749.947, 749.949, 749.2447, 749.2449, 749.2470, 749.2473, 749.2489, 749.2495, 749.2497, 749.2520, 749.2961, and 749.3391; new §§749.811, 749.813, 749.833, 749.863, 749.864, 749.868, 749.887, 749.889, 749.911, 749.913, 749.915, 749.930, 749.931, 749.932, 749.939, 749.945, 749.2401, 749.2526, 749.2533, 749.2535, 749.2537, and 749.2539; and the repeal of §§749.833, 749.863, 749.868, 749.901, 749.903, 749.931, 749.939, 749.945, 749.951, 749.981, 749.983, 749.985, 749.987, 749.989, 749.991, and 749.2401 in Title 26, Texas Administrative Code (TAC), Chapter 749, Minimum Standards for Child-Placing Agencies.

The amendment to §749.801 and new §749.930 are adopted with changes to the proposed text as published in the February 26, 2021, issue of the *Texas Register* (46 TexReg 1327). These rules will be republished.

The amendments to §§749.867, 749.869, 749.881, 749.882, 749.883, 749.885, 749.933, 749.935, 749.937, 749.941, 749.943, 749.944, 749.947, 749.949, 749.2447, 749.2449, 749.2470, 749.2473,



749.2489, 749.2495, 749.2497, 749.2520, 749.2961, and 749.3391; new §§749.811, 749.813, 749.833, 749.863, 749.864, 749.868, 749.887, 749.889, 749.911, 749.913, 749.915, 749.931, 749.932, 749.939, 749.945, 749.2401, 749.2526, 749.2533, 749.2535, 749.2537, and 749.2539; and the repeal of §§749.833, 749.863, 749.868, 749.901, 749.903, 749.931, 749.939, 749.945, 749.951, 749.981, 749.983, 749.985, 749.987, 749.989, 749.991, and 749.2401 are adopted without changes to the proposed text, as published in the February 26, 2021, issue of the *Texas Register* (46 TexReg 1327). These rules will not be republished.

Background and Justification. Certain bills from the 86th Legislature, Regular Session, 2019, amended Chapter 162 of Texas Family Code and Chapter 42 of Texas Human Resources Code (HRC). The purpose of the new, amended, and repealed rules is to implement those amendments as they apply to 26 TAC Chapter 749.

Senate Bill 195 amended Texas Family Code §162.007(a) to require HHSC Child Care Regulation (CCR) to update the health history requirements in the Health, Social, Educational, and Genetic History adoptive report, to include a child's diagnosis of fetal alcohol spectrum disorder when the Department of Family and Protective Services (DFPS) has this information. House Bill (H.B.) 2363 amended HRC §42.042(e-1) to require CCR to update the minimum standards to allow a foster home to store a firearm and ammunition together in the same locked location if the firearms have a trigger locking device.

H.B. 2764 amended §42.042 by adding subsection (t) to require CCR to develop minimum standards to grant child-placing agencies (CPAs) the authority to waive certain pre-service and annual training requirements for a foster home in certain situations.

H.B. 2764 also amended HRC §42.042 by adding subsection (b-1) to require CCR to simplify, streamline, and provide greater flexibility in the application of the minimum standards to child-placing agencies, foster homes, and adoptive homes. In response to this legislation, the many proposed changes (1) reorganize the Divisions for consistency and clarity; (2) update many issues relating to pre-service and annual training, including (A) clarifying which trainings may be "self-instructional" or must be instructor-led; (B) simplifying the pre-service and annual training standards by separating the standards for caregivers and employees and incorporating more charts; (C) increasing the training hours that may be carried over to the next year; and (D) adding topics that are appropriate for annual training; (3) update the pediatric first aid and pediatric CPR requirements; and (4) allow a CPA to (A) verify a separated spouse as a foster home in certain situations; (B) omit an interview with an adult child during a foster home screening if the CPA documents unsuccessful diligent efforts to locate the adult child; and (C) provisionally verify a foster



home that is transferring from one CPA to another and will continue care for a foster child already in the home.

21R078 Disproportionate Share Hospital Reimbursement Methodology, published in *Texas Register* 6/25/21; effective 6/28/21 Information not available

21R070 Public Health Provider – Charity Care Program, published in *Texas Register* 6/25/21; effective 7/1/21 Information not available

Adoptions that are effective

20R081 Pediatric Tele-Connectivity Resource Program for Rural Texas, effective 3/15/21 <u>https://www.sos.texas.gov/texreg/archive/March122021/Adopted%20Rules/26.HEALT</u> <u>H%20AND%20HUMAN%20SERVICES.html#115(link is external)</u>

The Texas Health and Human Services Commission (HHSC) adopts new §280.1, concerning Purpose; §280.3, concerning Definitions; and §280.5, concerning Grant Program Administration. New §§280.1, 280.3, and 280.5 are adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 8998), and therefore will not be republished.

The new sections implement Texas Government Code, Chapter 541, added by House Bill (H.B.) 1697, 85th Legislature, Regular Session, 2017. Chapter 541 directs HHSC to establish a pediatric teleconnectivity resource program for rural Texas to award grants to nonurban health care facilities to connect the facilities with pediatric specialists and pediatric subspecialists who provide telemedicine services. Rider 94 of the 2020-21 General Appropriations Act (H.B. 1, 86th Legislature, Regular Session, 2019, Article II, Special Provisions) appropriates funds to HHSC to implement Chapter 541. The Pediatric Tele-Connectivity Resource Program for Rural Texas allows HHSC to provide financial assistance to enable eligible, nonurban health care facilities to connect with pediatric specialists and pediatric subspecialists who provide telemedicine services and to cover related expenses, including necessary equipment.

21R028 Physician Directed Payment Program, effective

3/21/21 https://www.sos.texas.gov/texreg/archive/March122021/Adopted%20Rules/1.ADMINI STRATION.html#60(link is external)

The Texas Health and Human Services Commission (HHSC) adopts new §353.1309, concerning Texas Incentives for Physicians and Professional Services; and new §353.1311, concerning Quality Metrics



for the Texas Incentives for Physician and Professional Services Program. New §353.1309 and §353.1311 are adopted with changes to the proposed text as published in the December 25, 2020, issue of the *Texas Register* (45 TexReg 9367). The text of the rules will be republished.

Background and Justification. The purpose of the new rules is to describe the circumstances under which HHSC will direct a Medicaid managed care organization (MCO) to provide a uniform per member per month payment, certain incentive payments, and a uniform percentage rate increase to physician groups in the MCO's network in a participating service delivery area (SDA) for the provision of physician and professional services. The rules also describe the methodology used by HHSC to determine the amounts of the payments or rate increase.

Currently, Texas' Medicaid physician payments, made through either the fee-for-service (FFS) or managed care models, do not always cover all Medicaid allowable costs for physician and professional services. HHSC is adopting these new rules to align with the ongoing efforts to transition from the Delivery System Reform Incentive Payment (DSRIP) program and the Network Access Improvement Program (NAIP).

Healthcare policy experts believe that increasing reimbursements in a value- or incentive-based manner may result in improved health outcomes for clients. HHSC anticipates that the increased payments to certain physician groups will support access to services, promote better health outcomes, and increase focus on improving quality goals that are established as part of the Texas Medicaid program.

In May 2016, the Centers for Medicare and Medicaid Services (CMS) finalized a rule that allows a state to direct expenditures under its contract with an MCO under certain limited circumstances. Under the federal rule, a state may direct an MCO to raise rates for a class of providers of a particular service by a uniform dollar amount or percentage, or as a performance incentive, subject to approval of the contract arrangements by CMS. To obtain approval, the arrangements must be based on the utilization and delivery of services; direct expenditures equally, and using the same terms of performance, for a class of providers of a particular service; advance at least one of the goals and objectives of the state's managed care quality strategy and have an evaluation plan to measure the effectiveness of the arrangements at doing so; not condition provider participation on an intergovernmental transfer (IGT); and not be automatically renewed.

These new rules authorize HHSC to use IGTs from governmental entities or from other state agencies to support capitation payment increases in one or more SDAs. Each MCO within the SDA would be contractually required by the state to increase payments by a per member per month



payment, a performance incentive payment, or a uniform percentage for one or more classes of physician groups in the MCO network that provide services within the SDA.

21R027 Uniform Hospital Rate Increase Program Reforms, effective

3/28/21 https://www.sos.texas.gov/texreg/archive/March262021/Adopted%20Rules/1.ADMINI STRATION.html#104(link is external)

The Texas Health and Human Services Commission (HHSC) adopts an amendment to §353.1305, concerning Uniform Hospital Rate Increase Program for program periods before September 1, 2021; new §353.1306, concerning Comprehensive Hospital Increase Reimbursement Program for program periods on or after September 1, 2021; and new §353.1307, concerning Quality Metrics and Required Reporting Used to Evaluate the Success of the Comprehensive Hospital Increase Reimbursement Program.

New §353.1306 and new §353.1307 are adopted with changes to the proposed text as published in the January 1, 2021, issue of the *Texas Register* (46 TexReg 13). These rules will be republished. The amendment to §353.1305 is adopted without changes to the proposed text as published in the January 1, 2021, issue of the *Texas Register* (46 TexReg 13). This rule will not be republished.

Background and Justification. To continue incentivizing hospitals to improve access, quality, and innovation in the provision of hospital services in Year 5 of the program (i.e., September 1, 2021, through August 31, 2022) and beyond, HHSC is adopting new quality metrics, eligibility requirements and financing components for the program. HHSC is also adopting these amendments to comply with federal regulations that require directed-payment programs (DPPs) to advance goals included in the state's managed care quality strategy and to align with the ongoing efforts to transition from the Delivery System Reform Incentive Payment (DSRIP) program.

During September and October 2020, HHSC convened a workgroup of stakeholders including hospitals from all hospital classes, such as children's, rural, urban, publicly-owned, privately-owned, state-owned hospitals, as well as advocacy groups representing hospitals to assist in the design of the program structure.

The Uniform Hospital Rate Increase Program was initially implemented on December 1, 2017 and operated under Texas Administrative Code Title 1 §353.1301 and §353.1305 for the initial program year and subsequent years. Section 353.1301 is not being amended at this time. The amendment to §353.1305 will make the rule applicable to the program before September 1, 2021.



New §353.1306 and §353.1307 will apply to the program beginning on September 1, 2021 and will re-name the program the Comprehensive Hospital Increase Reimbursement Program (CHIRP), which will be comprised of the Uniform Hospital Rate Increase Payment (UHRIP) and the Average Commercial Incentive Award (ACIA). A description of the conceptual framework of the program is as follows:

Eligibility and Enrollment

CHIRP is open to six classes of hospitals: children's hospitals, rural hospitals, state-owned hospitals that are not institutions for mental diseases (IMDs), urban hospitals, non-state-owned IMDs, and state-owned IMDs. Eligibility for hospitals will now be based upon an individual hospital application, which will allow hospitals to participate even if other hospitals within the same class do not wish to participate.

Capitation Rate Structure

CHIRP dollars will be limited by 1115 waiver budget-neutrality capacity and the amount of intergovernmental transfer (IGT) funds available for the program. The non-federal share of all CHIRP payments is funded through IGTs from sponsoring governmental entities. No general revenue is available to support CHIRP. The managed care organizations' (MCO) distribution of CHIRP funds to the enrolled hospitals will be based on the hospital's actual utilization as a uniform percentage increase. CHIRP IGTs for a specific capitation rate period will be due to HHSC approximately three months prior to the beginning of the rate period to allow HHSC's actuaries certainty as to the amount of funding to be incorporated into the capitation rates for CHIRP. The amount of the capitation will be determined by the amount of the non-federal share available for the program. CHIRP funds will be paid through two components of the managed care per member per month (PMPM) capitation rates. Each component's value will be determined as a percentage of the amount of funding available for the CHIRP program.

Capitation Rate Components

The UHRIP Component will be equal to a percentage of the estimated difference between what Medicare is estimated to pay for the services and what Medicaid actually paid for the same services (Medicare gap) on a per class basis. UHRIP payments will be paid as a uniform rate increase per class within a service delivery area (SDA) and will be distributed based upon actual paid claims. The ACIA Component will be equal to a percentage of the difference between what an average commercial payor is estimated to pay for the services and what Medicaid actually paid for the same services (ACR gap) less payments received under UHRIP. ACIA payments will be paid as a uniform rate increase per class within a service delivery area (SDA) and will be distributed based upon actual paid claims.



Quality Evaluation

For each program period, HHSC will specify the performance requirements that will be associated with the designated quality metric that is expected to advance at least one of the goals and objectives in the managed care quality strategy. Achievement of the performance requirements will be used to evaluate the degree to which the program advances at least one of the goals and objectives that are incentivized by the CHIRP payments.

HHSC will publish notice of the proposed metrics and their associated performance requirements no later than January 31 preceding the first month of the program period. Final quality metrics and performance requirements will be provided on HHSC's website on or before February 28 of the calendar year that also contains the first month of the program period.

18R061 Specialized Telecommunications Assistance Program, effective 3/30/21 <u>https://www.sos.texas.gov/texreg/archive/March262021/Adopted%20Rules/40.SOCIAL%20S</u> <u>ERVICES%20AND%20ASSISTANCE.html#204(link is external)</u>

The Texas Health and Human Services Commission (HHSC) adopts the repeal of Chapter 109, Subchapter C, concerning the Specialized Telecommunications Assistance Program, consisting of §§109.501, 109.503, 109.505, 109.507, 109.509, 109.511, 109.513, 109.515, 109.517, 109.519, 109.521, 109.523, 109.525, 109.527, 109.529, 109.531, and 109.533.

The repeals are adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9173), and therefore will not be republished.

Background and Justification. The repeal updates and relocates the Specialized Telecommunications Assistance Program (STAP) rules from 40 TAC Chapter 109, Subchapter C to 26 TAC Chapter 360, Subchapter C. The relocation of the rules is necessary to implement Senate Bill 200, 84th Legislature, Regular Session, 2015, which transferred the functions of the legacy Department of Assistive and Rehabilitative Services (DARS) to HHSC. The new rules are adopted simultaneously elsewhere in this issue of the *Texas Register*.

https://www.sos.texas.gov/texreg/archive/March262021/Adopted%20Rules/26.HEALTH%20AND%20 HUMAN%20SERVICES.html#185(link is external)

The Texas Health and Human Services Commission (HHSC) adopts new Chapter 360, Subchapter C, concerning the Specialized Telecommunications Assistance Program, consisting of §§360.501,



360.503, 360.505, 360.507, 360.509, 360.511, 360.513, 360.515, 360.517, 360.519, 360.521, 360.523, 360.525, 360.527, 360.529, 360.531, 360.533, and 360.535.

The rules are adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9020), and therefore will not be republished.

Background and Justification. The new rules update and relocate the Specialized Telecommunications Assistance Program (STAP) rules from 40 TAC Chapter 109, Subchapter C to 26 TAC Chapter 360, Subchapter C. The relocation of the rules is necessary to implement Senate Bill 200, 84th Legislature, Regular Session, 2015, which transferred the functions of the legacy Department of Assistive and Rehabilitative Services (DARS) to HHSC. These adopted rules replace repealed rules in 40 TAC Chapter 109, Subchapter C. The rule repeals are adopted simultaneously elsewhere in this issue of the *Texas Register*.

The text of the rules is largely carried over from 40 TAC Chapter 109, Subchapter C with some changes. One such change is to reflect the modernization of STAP. More specifically, HHSC developed a new online STAP database allowing registered vendors to claim vouchers issued through the system. Therefore, the proposed rules require registered vendors to claim vouchers online to be eligible for reimbursement.

Another change is made to the eligibility requirements which establishes an age requirement of 5 years old to be eligible for vouchers toward equipment for telephone network access. This mitigates the likelihood of applicants and their families applying for STAP for communication access purposes rather than telephone access.

Other changes include expanding the categories of professionals authorized to certify program applicants for vouchers, clarifying certifier and vendor responsibilities, and changing references from the legacy DARS to HHSC.

20R010 Medical Error Reporting, effective

4/1/21 <u>https://www.sos.texas.gov/texreg/archive/March262021/Adopted%20Rules/25.HEALTH</u> %20SERVICES.html#179(link is external)

The Texas Health and Human Services Commission (HHSC) adopts the repeal of §133.48, concerning Patient Safety Program.



The repeal is adopted without changes to the proposed text as published in the November 20, 2020, issue of the *Texas Register* (45 TexReg 8237). This rule will not be republished.

Background and Justification. The repeal is necessary to remain consistent with Texas Health and Safety Code Chapter 241. The repeal removes outdated references to the Patient Safety Program. House Bill (H.B.) 1614, 78th Legislature, Regular Session, 2003, amended Texas Health and Safety Code Chapter 241, by adding Subchapter H, Patient Safety Program, requiring hospitals to report certain medical errors to HHSC. This subchapter expired under its own terms on September 1, 2007; therefore, the reporting requirements associated with H.B. 1614 are defunct.

https://www.sos.texas.gov/texreg/archive/March262021/Adopted%20Rules/26.HEALTH%20AND%20 HUMAN%20SERVICES.html#187(link is external)

The Texas Health and Human Services Commission (HHSC) adopts new Chapter 360, Subchapter C, concerning the Specialized Telecommunications Assistance Program, consisting of §§360.501, 360.503, 360.505, 360.507, 360.509, 360.511, 360.513, 360.515, 360.517, 360.519, 360.521, 360.523, 360.525, 360.527, 360.529, 360.531, 360.533, and 360.535.

The rules are adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9020), and therefore will not be republished.

Background and Justification. The new rules update and relocate the Specialized Telecommunications Assistance Program (STAP) rules from 40 TAC Chapter 109, Subchapter C to 26 TAC Chapter 360, Subchapter C. The relocation of the rules is necessary to implement Senate Bill 200, 84th Legislature, Regular Session, 2015, which transferred the functions of the legacy Department of Assistive and Rehabilitative Services (DARS) to HHSC. These adopted rules replace repealed rules in 40 TAC Chapter 109, Subchapter C. The rule repeals are adopted simultaneously elsewhere in this issue of the *Texas Register*.

The text of the rules is largely carried over from 40 TAC Chapter 109, Subchapter C with some changes. One such change is to reflect the modernization of STAP. More specifically, HHSC developed a new online STAP database allowing registered vendors to claim vouchers issued through the system. Therefore, the proposed rules require registered vendors to claim vouchers online to be eligible for reimbursement.

Another change is made to the eligibility requirements which establishes an age requirement of 5 years old to be eligible for vouchers toward equipment for telephone network access. This mitigates



the likelihood of applicants and their families applying for STAP for communication access purposes rather than telephone access.

Other changes include expanding the categories of professionals authorized to certify program applicants for vouchers, clarifying certifier and vendor responsibilities, and changing references from the legacy DARS to HHSC.

20R030 Radiation Control Regulations for Radiation Machines Used in Veterinary Medicine, effective

4/15/21 <u>https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/25.HEALTH%</u> 20SERVICES.html#130(link is external)

The Executive Commissioner of the Texas Health and Human Services Commission (HHSC), on behalf of the Department of State Health Services (DSHS), adopts the repeal of §289.233 and new §289.233, concerning Radiation Control Regulations for Radiation Machines Used in Veterinary Medicine. The repeal of §289.233 and new §289.233 are adopted without changes to the proposed text as published in the January 1, 2021, issue of the *Texas Register* (46 TexReg 51), and therefore will not be republished.

Background and Justification. The purpose of the adoption is to repeal §289.233 and replace with new §289.233 due to extensive revisions made throughout the rule. The new section corrects rule citation references and defines registrant responsibilities. The new section aligns the rule with current requirements in Title 25, Texas Administrative Code (TAC) §289.204, concerning Fees for Certificates of Registration, Radioactive Material Licenses, Emergency Planning and Implementation, and Other Regulatory Services; §289.205, concerning Hearing and Enforcement Procedures; and §289.226, concerning the Registration of Radiation Machine Use and Services.

New §289.233 reorganizes current requirements, adds new requirements from staff and stakeholder input, adds and clarifies definitions, and updates terminology. Changes to the new section strengthen qualifications for radiation safety officers, require radiation safety officers to review operating and safety procedures at least annually, clarify inspection compliance and hearing procedures, and clarify the requirement that an equipment performance evaluation be performed on radiation machines within 30 days of installation or reinstallation. In addition, the new section clarifies timelines and requirements for equipment performance evaluations on the radiation machines, adds safety requirements to the operating and safety procedures, adds requirements for controlling the operator's occupational radiation exposure, and strengthens the requirements for quality control of digital imaging.



Texas Government Code, §2001.039, requires that each state agency review and consider for readoption each rule adopted by that agency pursuant to the Texas Government Code, Chapter 2001 (Administrative Procedure Act). Section 289.233 has been reviewed and DSHS has determined that the reasons for adopting the sections continue to exist because a rule on this subject is needed to protect public health and safety and to fulfill DSHS's statutory responsibilities as the state's Radiation Control Agency.

20R045 Medical and Health Care Billing, effective

4/15/21 <u>https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/25.HEALTH%</u> 20SERVICES.html#120(link is external)

The Texas Health and Human Services Commission (HHSC) adopts an amendment to §133.46, concerning Hospital Billing.

The amendment is adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 8970). This rule will not be republished.

Background and Justification. The amendment is necessary to comply with Senate Bill (S.B.) 1264, 86th Legislature, Regular Session, 2019, which requires HHSC to adopt rules relating to consumer protections against certain medical and health care billing by out-of-network licensed health care facilities, including abortion facilities, ambulatory surgical centers, birthing centers, chemical dependency treatment facilities, crisis stabilization units, end stage renal disease facilities, freestanding emergency medical care facilities, general and special hospitals, narcotic treatment programs, private psychiatric hospitals, and special care facilities.

https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/25.HEALTH%20SERVICES.ht ml#122(link is external)

The Texas Health and Human Services Commission (HHSC) adopts an amendment to §133.46, concerning Hospital Billing.

The amendment is adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 8970). This rule will not be republished.

Background and Justification. The amendment is necessary to comply with Senate Bill (S.B.) 1264, 86th Legislature, Regular Session, 2019, which requires HHSC to adopt rules relating to consumer



protections against certain medical and health care billing by out-of-network licensed health care facilities, including abortion facilities, ambulatory surgical centers, birthing centers, chemical dependency treatment facilities, crisis stabilization units, end stage renal disease facilities, freestanding emergency medical care facilities, general and special hospitals, narcotic treatment programs, private psychiatric hospitals, and special care facilities.

https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/25.HEALTH%20SERVICES.ht ml#124(link is external)

The Texas Health and Human Services Commission (HHSC) adopts an amendment to §133.46, concerning Hospital Billing.

The amendment is adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 8970). This rule will not be republished.

Background and Justification. The amendment is necessary to comply with Senate Bill (S.B.) 1264, 86th Legislature, Regular Session, 2019, which requires HHSC to adopt rules relating to consumer protections against certain medical and health care billing by out-of-network licensed health care facilities, including abortion facilities, ambulatory surgical centers, birthing centers, chemical dependency treatment facilities, crisis stabilization units, end stage renal disease facilities, freestanding emergency medical care facilities, general and special hospitals, narcotic treatment programs, private psychiatric hospitals, and special care facilities.

https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/25.HEALTH%20SERVICES.ht ml#126(link is external)

The Texas Health and Human Services Commission (HHSC) adopts an amendment to §133.46, concerning Hospital Billing.

The amendment is adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 8970). This rule will not be republished.

Background and Justification. The amendment is necessary to comply with Senate Bill (S.B.) 1264, 86th Legislature, Regular Session, 2019, which requires HHSC to adopt rules relating to consumer protections against certain medical and health care billing by out-of-network licensed health care facilities, including abortion facilities, ambulatory surgical centers, birthing centers, chemical dependency treatment facilities, crisis stabilization units, end stage renal disease facilities,



freestanding emergency medical care facilities, general and special hospitals, narcotic treatment programs, private psychiatric hospitals, and special care facilities.

https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/25.HEALTH%20SERVICES.ht ml#128(link is external)

The Texas Health and Human Services Commission (HHSC) adopts an amendment to §133.46, concerning Hospital Billing.

The amendment is adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 8970). This rule will not be republished.

Background and Justification. The amendment is necessary to comply with Senate Bill (S.B.) 1264, 86th Legislature, Regular Session, 2019, which requires HHSC to adopt rules relating to consumer protections against certain medical and health care billing by out-of-network licensed health care facilities, including abortion facilities, ambulatory surgical centers, birthing centers, chemical dependency treatment facilities, crisis stabilization units, end stage renal disease facilities, freestanding emergency medical care facilities, general and special hospitals, narcotic treatment programs, private psychiatric hospitals, and special care facilities.

https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/26.HEALTH%20AND%20HU MAN%20SERVICES.html#134(link is external)

The Texas Health and Human Services Commission (HHSC) adopts new §506.37, concerning Balance Billing.

The new rule is adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9027). This rule will not be republished.

Background and Justification. The new rule is necessary to comply with Senate Bill (S.B.) 1264, 86th Legislature, Regular Session, 2019, which requires HHSC to adopt rules relating to consumer protections against certain medical and health care billing by out-of-network licensed health care facilities, including abortion facilities, ambulatory surgical centers, birthing centers, chemical dependency treatment facilities, crisis stabilization units, end stage renal disease facilities, freestanding emergency medical care facilities, general and special hospitals, narcotic treatment programs, private psychiatric hospitals, and special care facilities.



https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/26.HEALTH%20AND%20HU MAN%20SERVICES.html#136(link is external)

The Texas Health and Human Services Commission (HHSC) adopts new §506.37, concerning Balance Billing.

The new rule is adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9027). This rule will not be republished.

Background and Justification. The new rule is necessary to comply with Senate Bill (S.B.) 1264, 86th Legislature, Regular Session, 2019, which requires HHSC to adopt rules relating to consumer protections against certain medical and health care billing by out-of-network licensed health care facilities, including abortion facilities, ambulatory surgical centers, birthing centers, chemical dependency treatment facilities, crisis stabilization units, end stage renal disease facilities, freestanding emergency medical care facilities, general and special hospitals, narcotic treatment programs, private psychiatric hospitals, and special care facilities.

https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/26.HEALTH%20AND%20HU MAN%20SERVICES.html#138(link is external)

The Texas Health and Human Services Commission (HHSC) adopts new §506.37, concerning Balance Billing.

The new rule is adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9027). This rule will not be republished.

Background and Justification. The new rule is necessary to comply with Senate Bill (S.B.) 1264, 86th Legislature, Regular Session, 2019, which requires HHSC to adopt rules relating to consumer protections against certain medical and health care billing by out-of-network licensed health care facilities, including abortion facilities, ambulatory surgical centers, birthing centers, chemical dependency treatment facilities, crisis stabilization units, end stage renal disease facilities, freestanding emergency medical care facilities, general and special hospitals, narcotic treatment programs, private psychiatric hospitals, and special care facilities.

https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/26.HEALTH%20AND%20HU MAN%20SERVICES.html#140(link is external)



The Texas Health and Human Services Commission (HHSC) adopts new §506.37, concerning Balance Billing.

The new rule is adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9027). This rule will not be republished.

Background and Justification. The new rule is necessary to comply with Senate Bill (S.B.) 1264, 86th Legislature, Regular Session, 2019, which requires HHSC to adopt rules relating to consumer protections against certain medical and health care billing by out-of-network licensed health care facilities, including abortion facilities, ambulatory surgical centers, birthing centers, chemical dependency treatment facilities, crisis stabilization units, end stage renal disease facilities, freestanding emergency medical care facilities, general and special hospitals, narcotic treatment programs, private psychiatric hospitals, and special care facilities.

https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/26.HEALTH%20AND%20HU MAN%20SERVICES.html#179(link is external)

The Texas Health and Human Services Commission (HHSC) adopts new §506.37, concerning Balance Billing.

The new rule is adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9027). This rule will not be republished.

Background and Justification. The new rule is necessary to comply with Senate Bill (S.B.) 1264, 86th Legislature, Regular Session, 2019, which requires HHSC to adopt rules relating to consumer protections against certain medical and health care billing by out-of-network licensed health care facilities, including abortion facilities, ambulatory surgical centers, birthing centers, chemical dependency treatment facilities, crisis stabilization units, end stage renal disease facilities, freestanding emergency medical care facilities, general and special hospitals, narcotic treatment programs, private psychiatric hospitals, and special care facilities.

21R038 Community Mental Health Center Directed Payment Program, effective 4/21/21 <u>https://www.sos.texas.gov/texreg/archive/April162021/Adopted%20Rules/1.ADMINIS</u> <u>TRATION.html#47(link is external)</u>



The Texas Health and Human Services Commission (HHSC) adopts new §353.1320, concerning Directed Payment Program for Behavioral Health Services; and new §353.1322, concerning Quality Metrics for the Directed Payment Program for Behavioral Health Services.

New §353.1320 and §353.1322 are adopted with changes to the proposed text as published in the January 29, 2021, issue of the *Texas Register* (46 TexReg 684). These rules will be republished.

Background and Justification. The purpose of the new rules is to describe the circumstances under which HHSC will direct a Medicaid managed care organization (MCO) to provide a uniform percentage rate increase and a uniform dollar increase in the form of prospective monthly payments to community mental health centers (CMHCs) in the MCO's network in a participating service delivery area (SDA) for the provision of services by CMHCs. The new rules also describe the methodology used by HHSC to determine the amounts of the rate and dollar increases.

HHSC is encouraging CMHCs to earn certification as Certified Community Behavioral Health Clinics (CCBHC) to implement processes and delivery of care that are consistent with the CCBHC model. Currently, Medicaid payments to CMHCs that are either CCBHC entities or in the process of getting certified, made through either the fee-for-service (FFS) or managed care models, may not cover all costs of Medicaid allowable services provided by CMHCs. HHSC is adopting these rules to establish a new program developed under the Delivery System Reform Incentive Payment program (DSRIP) Transition Plan.

HHSC anticipates that the increased payments to participating CMHCs will sustain access to services, promote better health outcomes, and increase focus on improving quality goals that are established as part of the Texas Medicaid program.

In May 2016, the Centers for Medicare and Medicaid Services (CMS) finalized a rule that allows a state to direct expenditures under its contract with MCOs under certain limited circumstances. Under the federal rule, a state may direct an MCO to raise rates for a class of providers of a particular service by a uniform dollar amount or percentage, or as a performance incentive, subject to approval of the contract arrangements by CMS. To obtain approval, the arrangements must be based on the utilization and delivery of services; direct expenditures equally, and using the same terms of performance, for a class of providers of a particular service; advance at least one of the goals and objectives of the state's Medicaid quality strategy and have an evaluation plan to measure the effectiveness of the arrangements at doing so; not condition provider participation on an intergovernmental transfer (IGT); and not be automatically renewed.



These rules authorize HHSC to use IGTs from sponsoring governmental entities to support MCO capitation payment increases in one or more SDAs. Each MCO within the SDA will be contractually required by the state to increase payments by a uniform percentage and dollar amount for the applicable component, respectively, for one or more classes of CMHCs that provide services within the SDA.

Conceptual Framework

Eligibility:

HHSC determines eligibility for payments by CMHC class. The SDA must have at least one sponsoring governmental entity willing to provide IGT to support increased payments. Also, to be eligible for the reimbursement increase, a CMHC must be within a class designated by HHSC to receive the increase.

There will be two classes of CMHCs: CMHCs that have attained certification as a CCBHC and those that have not. The classifications allow HHSC to direct reimbursement increases where they align with the quality goals of the program. The reimbursement increase will be uniform for all CMHCs within each class.

Services subject to rate or dollar increase:

HHSC may direct rate increases for all or a subset of services provided by CMHCs. The services subject to the rate increase will focus on CCBHC procedure codes in an effort to advance the goals and objectives of HHSC's managed care quality strategy and continue best practices identified in DSRIP.

Determination of rate and dollar increase:

HHSC will consider several factors in determining the percentage rate increase that will be directed for one or both classes of CMHCs within an SDA, including the amount of available funding; the class or classes of CMHCs eligible to receive the increase; the type of service subject to the increase; budget neutrality; and the actuarial soundness of the capitation payment needed to support the increase.

Reconciliation and recoupment:



HHSC will follow the methodology described in Title 1 of the Texas Administrative Code (TAC), §353.1301 to reconcile the amount of non-federal funds expended under this section and to authorize recoupments of overpayment or disallowance amounts.

21R040 Rural Health Clinic Directed Payment Program, effective

4/25/21 https://www.sos.texas.gov/texreg/archive/April232021/Adopted%20Rules/1.ADMINIS TRATION.html#64(link is external)

The Texas Health and Human Services Commission (HHSC) adopts new §353.1315, concerning Rural Access to Primary and Preventive Services Program; and new §353.1317, concerning Quality Metrics for Rural Access to Primary and Preventive Services Program.

New §353.1315 and §353.1317 are adopted with changes to the proposed text as published in the January 29, 2021, issue of the *Texas Register* (46 TexReg 679). These rules will be republished.

The purpose of the new rules is to describe the circumstances under which HHSC will direct a Medicaid managed care organization (MCO) to provide a uniform dollar amount in the form of prospective monthly payments and rate increases to rural health clinics (RHCs) in the MCO's network in a participating service delivery area (SDA) for the provision of general medical services and tied to quality measurement. The rules also describe the methodology used by HHSC to determine the amounts of the payments and rate increases.

HHSC is adopting these new rules as part of the new programs developed to transition from the Delivery System Reform Incentive Payment (DSRIP) program. HHSC anticipates that the increased payments to RHCs will support access to services, promote better health outcomes, and increase focus on improving quality goals of the Texas Medicaid program.

RHCs provide access to primary and preventive care and chronic disease management to rural residents and help to avoid potentially preventable emergency department visits and hospitalizations, which increase Medicaid costs. The program's quality objectives are supported by the results from the DSRIP Transition Best Practices Workgroup, particularly related to measures tracking improvement in primary care related services.

In May 2016, the Centers for Medicare and Medicaid Services (CMS) finalized a rule that allows a state to direct expenditures under its contract with an MCO under certain limited circumstances. Under the federal rule, a state may direct an MCO to raise rates for a class of providers of a particular service by a uniform dollar amount or percentage, or as a performance incentive, subject



to approval of the contract arrangements by CMS. To obtain approval, the arrangements must be based on the utilization and delivery of services; direct expenditures equally, and using the same terms of performance, for a class of providers of a particular service; advance at least one of the goals and objectives of the state's managed care quality strategy and have an evaluation plan to measure the effectiveness of the arrangements at doing so; not condition provider participation on an intergovernmental transfer (IGT); and not be automatically renewed.

These rules authorize HHSC to use IGTs from non-state governmental entities to support managed care capitation payment increases in one or more SDAs. Each MCO within the SDA will be contractually required by the state to provide a uniform dollar amount in the form of a prospective monthly payment and a percentage rate increase for certain services for RHCs.

Conceptual Framework

Eligibility:

HHSC determines eligibility for payments by RHC class. The SDA must have at least one governmental entity willing to provide IGT to support increased payments. Also, to be eligible for the reimbursement increase, an RHC must be within a class designated by HHSC to receive the increase. HHSC will classify RHCs into two classes: hospital-based RHCs and freestanding RHCs. The classifications allow HHSC to direct reimbursement increases where they are most needed and to align with the quality goals of the program. The reimbursement increases will be uniform for all RHCs within each class; but if HHSC directs rate increases to both classes, the reimbursement increase may vary between classes.

Services subject to rate increase:

HHSC may direct rate increases for all or a subset of RHC services. The services subject to the rate increase will focus on those codes most frequently billed by RHCs for the provision of preventive and primary care services, in an effort to advance the goals and objectives of HHSC's managed care quality strategy and continue best practices of DSRIP.

Determination of rate increase:

HHSC will consider several factors in determining the percentage rate increase that will be directed for one or both classes of RHCs, including the amount of available funding; the class or classes of RHCs eligible to receive the increase; the type of service subject to the increase; budget neutrality; and the actuarial soundness of the capitation payment needed to support the increase.



Reconciliation and recoupment:

HHSC will follow the methodology described in Texas Administrative Code Title 1 §353.1301 to reconcile the amount of non-federal funds expended under this section and to authorize recoupments of overpayment or disallowance amounts.

20R026 Regulation of Child-Care Facilities, effective

4/25/21 https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/26.HEALTH% 20AND%20HUMAN%20SERVICES.html#181(link is external)

The Texas Health and Human Services Commission (HHSC) adopts amendments to §§744.201, 744.305, 744.307, 744.701, 744.801, 744.2575, and 744.2577; and new §§744.203, 744.205, 744.207, 744.309, and 744.311 in Title 26, Texas Administrative Code, Chapter 744, Minimum Standards for School-Age and Before and After-School Programs.

New §744.203 is adopted with changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9109). This rule will be republished. The amendments to §§744.201, 744.305, 744.307, 744.701, 744.801, 744.2575, and 744.2577; and new §§744.205, 744.207, 744.309, and 744.311 are adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9109). These rules will not be republished.

Background and Justification. The amendments and new rules are necessary to implement the portions of Senate Bill 568, 86th Legislature, Regular Session, 2019, that amended Chapter 42, Texas Human Resources Code to require HHSC Child Care Regulation (CCR) to expand liability insurance requirements and alter reporting requirements for certain incidents and deficiencies.

https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/26.HEALTH%20AND%20HU MAN%20SERVICES.html#245(link is external)

The Texas Health and Human Services Commission (HHSC) adopts new §506.37, concerning Balance Billing.

The new rule is adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9027). This rule will not be republished.



Background and Justification. The new rule is necessary to comply with Senate Bill (S.B.) 1264, 86th Legislature, Regular Session, 2019, which requires HHSC to adopt rules relating to consumer protections against certain medical and health care billing by out-of-network licensed health care facilities, including abortion facilities, ambulatory surgical centers, birthing centers, chemical dependency treatment facilities, crisis stabilization units, end stage renal disease facilities, freestanding emergency medical care facilities, general and special hospitals, narcotic treatment programs, private psychiatric hospitals, and special care facilities.

https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/26.HEALTH%20AND%20HU MAN%20SERVICES.html#256(link is external)

The Texas Health and Human Services Commission (HHSC) adopts new §506.37, concerning Balance Billing.

The new rule is adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9027). This rule will not be republished.

Background and Justification. The new rule is necessary to comply with Senate Bill (S.B.) 1264, 86th Legislature, Regular Session, 2019, which requires HHSC to adopt rules relating to consumer protections against certain medical and health care billing by out-of-network licensed health care facilities, including abortion facilities, ambulatory surgical centers, birthing centers, chemical dependency treatment facilities, crisis stabilization units, end stage renal disease facilities, freestanding emergency medical care facilities, general and special hospitals, narcotic treatment programs, private psychiatric hospitals, and special care facilities.

https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/26.HEALTH%20AND%20HU MAN%20SERVICES.html#270(link is external)

The Texas Health and Human Services Commission (HHSC) adopts new §506.37, concerning Balance Billing.

The new rule is adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9027). This rule will not be republished.

Background and Justification. The new rule is necessary to comply with Senate Bill (S.B.) 1264, 86th Legislature, Regular Session, 2019, which requires HHSC to adopt rules relating to consumer protections against certain medical and health care billing by out-of-network licensed health care



facilities, including abortion facilities, ambulatory surgical centers, birthing centers, chemical dependency treatment facilities, crisis stabilization units, end stage renal disease facilities, freestanding emergency medical care facilities, general and special hospitals, narcotic treatment programs, private psychiatric hospitals, and special care facilities.

https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/26.HEALTH%20AND%20HU MAN%20SERVICES.html#277(link is external)

The Texas Health and Human Services Commission (HHSC) adopts new §506.37, concerning Balance Billing.

The new rule is adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9027). This rule will not be republished.

Background and Justification. The new rule is necessary to comply with Senate Bill (S.B.) 1264, 86th Legislature, Regular Session, 2019, which requires HHSC to adopt rules relating to consumer protections against certain medical and health care billing by out-of-network licensed health care facilities, including abortion facilities, ambulatory surgical centers, birthing centers, chemical dependency treatment facilities, crisis stabilization units, end stage renal disease facilities, freestanding emergency medical care facilities, general and special hospitals, narcotic treatment programs, private psychiatric hospitals, and special care facilities.

20R039 Legislative and Other Updates for Chapter 745 and Chapter 748, effective 4/25/21 <u>https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/26.HEALTH%</u> 20AND%20HUMAN%20SERVICES.html#192(link is external)

The Texas Health and Human Services Commission (HHSC) adopts amendments to §§745.11, 745.21, 745.101, 745.115, 745.117, 745.119, 745.125, 745.127, 745.129, 745.131, 745.135, 745.141, 745.143, 745.211, 745.215, 745.241, 745.243, 745.249, 745.251, 745.273, 745.275, 745.323, 745.325, 745.341, 745.345, 745.347, 745.349, 745.351, 745.353, 745.371, 745.373, 745.375, 745.379, 745.385, 745.403, 745.429, 745.431, 745.433, 745.435, 745.437, 745.461, 745.464, 745.467, 745.471, 745.473, 745.475, 745.4613, 745.481, 745.483, 745.8600, 745.8601, 745.8603, 745.8605, 745.8607, 745.8609, 745.8611, 745.8613, 745.8631, 745.8633, 745.8637, 745.8641, 745.8643, 745.8649, 745.8650, 745.8651, 745.8652, 745.8654, 745.8659, 745.8661, 745.8681, 745.8685, 745.8687, 745.8711, 745.8713, and 745.8715; new §§745.253, 745.255, 745.301, 745.321, 745.339, 745.340, 745.343, 745.344, 745.355, 745.436, 745.478, 745.485, 745.487, 745.489, 745.8635, 745.8653, 745.8655, 745.8656, 745.8657, 745.8683, and 745.8714; and the repeal of §§745.253, 745.279, 745.301, 745.321, 745.333, 745.343, 745.343, 745.383,



745.407, 745.485, 745.8635, 745.8639, 745.8653, 745.8655, 745.8657, and 745.8683 in Title 26, Texas Administrative Code (TAC), Chapter 745, Licensing.

The amendment to §745.249 is adopted with changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9121). This rule will be republished.

The amendments to §§745.11, 745.21, 745.101, 745.115, 745.117, 745.119, 745.125, 745.127, 745.129, 745.131, 745.135, 745.141, 745.143, 745.211, 745.215, 745.241, 745.243, 745.251, 745.273, 745.275, 745.323, 745.325, 745.341, 745.345, 745.347, 745.349, 745.351, 745.353, 745.371, 745.373, 745.375, 745.379, 745.385, 745.403, 745.429, 745.431, 745.433, 745.435, 745.437, 745.461, 745.464, 745.467, 745.471, 745.473, 745.475, 745.477, 745.481, 745.483, 745.8600, 745.8601, 745.8603, 745.8605, 745.8607, 745.8609, 745.8611, 745.8613, 745.8631, 745.8633, 745.8637, 745.8641, 745.8643, 745.8649, 745.8650, 745.8651, 745.8652, 745.8654, 745.8659, 745.8661, 745.8681, 745.8685, 745.8687, 745.8650, 745.8651, 745.8652, 745.8654, 745.8659, 745.8661, 745.8681, 745.339, 745.340, 745.343, 745.344, 745.355, 745.436, 745.478, 745.485, 745.487, 745.489, 745.8635, 745.8655, 745.8657, 745.8663, and 745.8714; and the repeal of §§745.253, 745.8653, 745.8657, 745.8633, r45.407, 745.485, 745.8635, 745.8639, 745.8653, 745.8657, and 745.8633 are adopted without changes to the proposed text, as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9121). These rules will not be republished.

Background and Justification. Certain bills from the 86th Legislature, Regular Session, 2019, amended Chapter 42, Texas Human Resources Code (HRC). The purpose of the new, amended, and repealed rules is to implement those amendments as they apply to 26 TAC Chapter 745.

Senate Bill (S.B.) 568 amended (1) HRC §42.049 to (A) extend liability insurance requirements to registered and licensed child-care homes; and (B) add a requirement that all operation types provide timely notice to the parents of each child in care if an operation does not carry the required insurance; (2) HRC §42.050 and §42.052 to create a more robust process for evaluating renewal applications; (3) HRC §42.072 to add "refusal to renew a permit" as a type of adverse action that will affect a person's ability to apply for a permit for a period of five years; and (4) HRC §42.078 to provide additional bases for issuing an administrative penalty and the recommended amounts for those penalties.

S.B. 569 (1) created HRC §42.0495 to establish liability insurance requirements for listed family homes, including a requirement that a home provide timely notice to the parents of each child in



care if a home does not carry the required insurance; and (2) amended HRC §42.046 to add a safe sleep training requirement for listed family home applicants.

S.B. 781 (1) amended HRC §42.071 to eliminate "evaluation" as a type of enforcement action that HHSC Child Care Regulation (CCR) can take against an operation, and amended a multitude of other sections to eliminate the mention of "evaluation" in HRC Chapter 42; (2) amended HRC §42.072 to prohibit CCR from issuing a permit to an applicant for five years from when the applicant voluntarily closes or relinquishes a permit after receiving notice that CCR was taking a certain type of enforcement action; and (3) created Chapter 42, Subchapter H, which contains requirements for a General Residential Operation (GRO) that will provide treatment services to children with emotional disorders, including: (A) a requirement that an application must include an operational plan; (B) guidelines for how CCR must evaluate or deny a permit; and (C) a public hearing for a renewal permit upon request by the Commissioner's Court located in the same county as the GRO.

House Bill (H.B) 3390 amended an exemption in HRC §42.041 that applies to a child or sibling group that is placed by the Department of Family and Protective Services.

H.B. 4090 amended HRC §42.048 to state that a change in location for a school-age program operating exclusively during the summer or any other time school is not in session does not automatically revoke the program's license or certification.

These legislative changes impact Subchapters A, C, D, and L of Chapter 745. CCR is also updating these subchapters with non-legislative changes to (1) update names of entities and titles; (2) update citations, including changing all of the figures from Title 40 to Title 26; (3) delete outdated definitions and rules; (4) add definitions for clarity throughout the chapter; (5) update the rules to be consistent with current statutes and policy; (6) amend the rules so the language is consistent throughout the chapter; and (7) clarify the rules by making them more readable and easier to understand.

https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/26.HEALTH%20AND%20HU MAN%20SERVICES.html#267(link is external)

The Texas Health and Human Services Commission (HHSC) adopts new §506.37, concerning Balance Billing.

The new rule is adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9027). This rule will not be republished.



Background and Justification. The new rule is necessary to comply with Senate Bill (S.B.) 1264, 86th Legislature, Regular Session, 2019, which requires HHSC to adopt rules relating to consumer protections against certain medical and health care billing by out-of-network licensed health care facilities, including abortion facilities, ambulatory surgical centers, birthing centers, chemical dependency treatment facilities, crisis stabilization units, end stage renal disease facilities, freestanding emergency medical care facilities, general and special hospitals, narcotic treatment programs, private psychiatric hospitals, and special care facilities.

19R069 Licensing Standards for Home and Community Support Services Agencies, effective 4/25/21 <u>https://www.sos.texas.gov/texreg/archive/April92021/Adopted%20Rules/26.HEALTH%</u> 20AND%20HUMAN%20SERVICES.html#142(link is external)

The Executive Commissioner of the Texas Health and Human Services Commission (HHSC) adopts amendments to §§558.1 - 558.3, 558.11, 558.13, 558.15, 558.17, 558.19, 558.21, 558.23, 558.25, 558.27, 558.29 - 558.31, 558.202, 558.208, 558.213, 558.214 - 558.220, 558.222, 558.241 - 558.250, 558.252, 558.255 - 558.257, 558.259, 558.260, 558.281 - 558.287, 558.289, 558.290, 558.291, 558.292, 558.295 - 558.299, 558.301 - 558.303, 558.321, 558.322, 558.401, 558.402, 558.404 - 558.407, 558.501, 558.503, 558.505, 558.507, 558.521, 558.523, 558.525, 558.527, 558.601 - 558.604, 558.701, 558.801, 558.810, 558.811, 558.820, 558.821, 558.823, 558.830, 558.832, 558.834, 558.842 - 558.845, 558.852 - 558.857, 558.859, 558.860, 558.870, 558.871, and 558.880; new §§558.12, 558.861, 558.862, 558.863; and the repeal of §558.861; in Title 26, Part 1, Chapter 558, concerning Licensing Standards for Home and Community Support Services Agencies.

Sections 558.19 and 558.30 are adopted with changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9033). These sections will be republished. All other sections are adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9033). These sections will not be republished.

Background and Justification. The amendments, new sections, and repeal are necessary to comply with changes to the Texas Health and Safety Code Chapter 142, and the Texas Occupations Code Chapters 56 and 57, made by Senate Bills 916 and 37, and House Bills 2594 and 3193, all enacted during the 86th Legislature, Regular Session, 2019.

House Bill (HB) 3193 increases the licensing period from two years to three years and increases the maximum amount that HHSC may charge for licensure fee.



Senate Bill (SB) 916 removes "palliative care for terminally ill clients" from services described as being included in the statutory definition of "hospice services."

SB 37 amends the subparagraph that prohibits certain disciplinary action against a person based on the person's default on a student loan default based on the amendments to the Texas Occupations Code.

HB 3079 gives HHSC the authority to investigate abuse, neglect, and exploitation of a home and community support services agency (HCSSA) client receiving inpatient hospice services.

HB 2594 allows a health care professional employee of a hospice provider who meets certain requirements to dispose of a patient's controlled substance prescriptions.

The amendments are also necessary to update the licensure process to reflect the transition from paper applications to the use of the online licensure portal called Texas Unified Licensure Information Portal (TULIP) and clarifying other processes relating to licensure.

Additionally, the amendments change the agency's name from "DADS" to "HHSC" throughout the chapter and update rule references throughout the chapter as a result of the administrative transfer of the chapter from 40 TAC Chapter 97 to 26 TAC Chapter 558 in May 2019.

21R029 Reimbursement Methodology for Ambulance Services, effective 4/27/21 <u>https://www.sos.texas.gov/texreg/archive/April232021/Adopted%20Rules/1.ADMINIS</u> <u>TRATION.html#66(link is external)</u>

The Texas Health and Human Services Commission (HHSC) adopts an amendment to §355.8600, concerning Reimbursement Methodology for Ambulance Services. The amendment to §355.8600 is adopted with changes to the proposed text as published in the February 12, 2021, issue of the *Texas Register* (46 TexReg 1005). The text of the rule will be republished.

Background and Justification. The amendment to §355.8600 establishes enhanced supplemental payments to publicly owned ground emergency ambulance service providers. Publicly owned ground emergency ambulance providers currently receive fee-for-service payments to cover uncompensated care costs. Subject to approval by the Centers for Medicare and Medicaid Services, the amendment will make publicly owned ground emergency ambulance providers eligible for additional payments for services up to the average rate payable by commercial insurers for those same services.



20R115 Purchase of Goods and Services by the Texas Health and Human Services Commission, effective

5/12/21 https://www.sos.texas.gov/texreg/archive/May72021/Adopted%20Rules/1.ADMINISTR ATION.html#65(link is external)

The Texas Health and Human Services Commission (HHSC) adopts the repeal of §§391.101, 391.103, 391.201, 391.203, 391.205, 391.207, 391.209, 391.211, 391.213, 391.215, 391.301, 391.401, 391.403, 391.405, 391.407, 391.409, 391.501, 391.503, 391.505, 391.601, 391.603, 391.605, 391.621, 391.623, 391.625, 391.627, 391.629, 391.631, 391.633, 391.635, 391.637, 391.651, 391.653, 391.655, 391.657, 391.659, 391.661, 391.663, 391.665, 391.667, 391.669, and 391.711; and new §§391.101, 391.103, 391.105, 391.107, 391.201, 391.203, 391.205, 391.207, 391.209, 391.211, 391.213, 391.215, 391.217, 391.219, 391.241, 391.243, 391.301, 391.303, 391.305, 391.307, 391.309, 391.401, 391.403, 391.405, 391.501, 391.503, 391.601, 391.603, 391.605, 391.701, 391.703, 391.705, 391.721, 391.723, 391.725, 391.727, 391.729, 391.731, 391.733, 391.735, 391.737, 391.751, 391.753, 391.755, 391.757, 391.759, 391.761, 391.763, 391.765, 391.767 and 391.769, concerning Purchase of Goods and Services by the Texas Health and Human Services Commission.

New §§391.305 and 391.307 are adopted with changes to the proposed text as published in the February 19, 2021, issue of the *Texas Register* (46 TexReg 1131). These rules will be republished.

The repeal of §§391.101, 391.103, 391.201, 391.203, 391.205, 391.207, 391.209, 391.211, 391.213, 391.215, 391.301, 391.401, 391.403, 391.405, 391.407, 391.409, 391.501, 391.503, 391.505, 391.601, 391.603, 391.605, 391.621, 391.623, 391.625, 391.627, 391.629, 391.631, 391.633, 391.635, 391.637, 391.651, 391.653, 391.655, 391.657, 391.659, 391.661, 391.663, 391.665, 391.667, 391.669, and 391.711 and new §§391.101, 391.103, 391.105, 391.107, 391.201, 391.203, 391.205, 391.207, 391.209, 391.211, 391.213, 391.215, 391.217, 391.219, 391.241, 391.243, 391.301, 391.303, 391.309, 391.401, 391.403, 391.405, 391.501, 391.503, 391.601, 391.603, 391.605, 391.701, 391.703, 391.705, 391.721, 391.723, 391.725, 391.727, 391.729, 391.731, 391.733, 391.735, 391.737, 391.751, 391.753, 391.755, 391.757, 391.759, 391.761, 391.763, 391.765, 391.767 and 391.769 are adopted without changes to the proposed text as published in the February 19, 2021, issue of the *Texas Register* (46 TexReg 1131). These rules will not be republished.

Background and Justification. The repeal and new rules are adopted as the result of a comprehensive review of Chapter 391 to ensure HHSC's purchasing rules are current and comply with State of Texas procurement and contracting laws and rules regarding state agency procurement and contracting. After review, it was determined that significant revisions were needed



throughout the chapter to update the rules and to effectively reorganize them for better clarity and flow. The adopted rules reorganize and update the sections to accurately define and describe the solicitation and contracting methods used for purchases delegated to HHSC in Texas Government Code §2155.144. The adopted rules also include non-substantive edits, revisions, and updates to citations throughout the chapter.

20R051 Grade Specifications and Requirements for Milk, and Grade A Raw Milk and Raw Milk Products, effective

5/17/21 https://www.sos.texas.gov/texreg/archive/May142021/Adopted%20Rules/25.HEALTH %20SERVICES.html#76(link is external)

The Executive Commissioner of the Texas Health and Human Services Commission (HHSC), on behalf of the Department of State Health Services (DSHS), adopts amendments to §217.1 and §217.2, concerning Grade Specifications and Requirements for Milk; the repeal of §§217.21 - 217.33 and new §§217.21 - 217.34, concerning Grade A Raw for Retail Milk and Milk Products. The amendment to §217.1 and new §217.28 and §217.33 are adopted with changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 8978) and will be republished. The amendment to §217.2, repeal of §§217.21 - 217.33, and new §§217.21 - 217.27, 217.29 - 217.32, and 217.34 are adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 8978) and will be republished.

Background and Justification. The adopted rules clarify and reflect current knowledge industry practices, update language and best practices, address long-standing issues pertaining to the sale of raw milk and the delivery of raw milk to individual purchasers, and address labeling requirements. Subchapters A and B are revised to comply with Texas Government Code, §2001.039, which requires that each state agency review and consider for re-adoption each rule adopted by that agency pursuant to the Texas Government Code, Chapter 2001. The rules have been reviewed and DSHS has determined that reasons for adopting the sections continue to exist because rules on this subject are required by statute.

18R040 Standards of Care in Crisis Stabilization Units, effective

5/27/21 https://www.sos.texas.gov/texreg/archive/May212021/Adopted%20Rules/25.HEALTH %20SERVICES.html#73(link is external)

The Texas Health and Human Services Commission (HHSC) adopts the repeal of §§411.601 - 411.604, 411.608 - 411.613, 411.617, 411.621 - 411.624, 411.628 - 411.633, 411.637, 411.641, 411.645, 411.646, 411.649, and 411.650 in Texas Administrative Code (TAC), Title 25, Part 1, Chapter 411,



Subchapter M, concerning Standards of Care and Treatment in Crisis Stabilization Units. The repeal is adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 8995), and therefore will not be republished.

Background and Justification. As required by Texas Government Code §531.0201(a)(2)(C), client services functions previously performed by the Department of State Health Services (DSHS) were transferred to the Texas Health and Human Services Commission (HHSC) on September 1, 2016, in accordance with Texas Government Code §531.0201 and §531.02011. The purpose of repealing and replacing these rules is to outline requirements for standards of care for individuals receiving treatment and services in a crisis stabilization unit (CSU) to ensure the continued operation of CSUs.

New rules in 26 TAC, Part 1, Chapter 306, Subchapter B, Standards of Care and Treatment in Crisis Stabilization Units are adopted elsewhere in this issue of the *Texas Register*.

https://www.sos.texas.gov/texreg/archive/May212021/Adopted%20Rules/26.HEALTH%20AND%20H UMAN%20SERVICES.html#92(link is external)

The Texas Health and Human Services Commission (HHSC) adopts new §306.41, concerning Purpose; §306.43, concerning Application; §306.45, concerning Definitions; §306.47, concerning General Provisions; §306.51, concerning Admission Criteria; §306.53, concerning Pre-admission Screening and Assessment; §306.55, concerning Voluntary Admission Criteria and Intake Process; §306.57, concerning Involuntary Admission Criteria and Intake Process; §306.59, concerning Voluntary Treatment Following Voluntary Admission; §306.61, concerning Crisis Stabilization Unit Medical Services; §306.63, concerning Crisis Stabilization Unit Nursing Services; §306.65, concerning Crisis Stabilization Services and Recovery or Treatment Planning; §306.67, concerning Additional Standards of Care for Children and Adolescents; §306.71, concerning Discharge Planning; §306.73, concerning Discharge Notices; §306.75, concerning Discharge of a Voluntarily-Admitted Individual; \$306.77, concerning Maximum Length of Stay for a Voluntarily-Admitted Individual; \$306.79, concerning Discharge of an Involuntarily-Admitted Individual; §306.81, concerning Medical Record; §306.83, concerning Staff Training; §306.85, concerning Minimum Staffing Requirements; §306.87, concerning Protection of an Individual Receiving Crisis Stabilization Unit Services; §306.89, concerning Crisis Stabilization Unit Response to an Emergency Medical Condition; §306.91, concerning Transfers; §306.95, concerning Response to External Reviews.

New §§306.45, 306.47, 306.51, 306.53, 306.55, 306.57, 306.61, 306.67, 306.71, 306.73, 306.75, 306.77, 306.79, 306.81, 306.83, 306.85, 306.87, and 306.91 are adopted with changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9001). These rules will be



republished. Sections 306.41, 306.43, 306.59, 306.63, 306.65, 306.89, and 306.95 are adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9001), and therefore will not be republished. New §306.93 is being withdrawn elsewhere in this edition of the *Texas Register*.

Background and Justification. The new sections are necessary to comply with Texas Government Code §531.0201(a)(2)(C), which requires the Department of State Health Services (DSHS) to ensure that client services functions previously performed by DSHS were transferred to HHSC on September 1, 2016. The new rules in the Texas Administrative Code (TAC) Title 26, Part 1, Chapter 306, Subchapter B, concerning Standards of Care in Crisis Stabilization Units, address the content of rules in 25 TAC Chapter 411, Subchapter M, concerning Standards of Care and Treatment in Crisis Stabilization Units. The rules in Chapter 411 are repealed elsewhere in this issue of the *Texas Register*.

The rules establish guidelines for the standards of care and treatment of individuals with mental illness or serious emotional disturbance who receive crisis stabilization services in crisis stabilization units (CSUs) licensed under Texas Health and Safety Code, Chapter 577 and 26 TAC Chapter 510 (relating to Private Psychiatric Hospitals and Crisis Stabilization Units).

The rules outline the requirements for voluntary or involuntary admission, pre-admission screening and assessment, intake processes, treatment, services, and discharge for individuals in CSUs. The new rules establish responsibilities of CSU administrators and staff members, and introduce standards related to services provided to children and adolescents. The new rules allow licensed physician assistants (PAs) and advanced practice registered nurses (APRNs) to perform physiciandelegated medical services and evaluations within their respective scopes of practice. The new rules also allow peer specialists to perform peer specialist services in accordance with 1 TAC Chapter 354, Subchapter N (relating to Peer Specialist Services), and allow qualified mental health professionalcommunity services in accordance with 26 TAC Chapter 301, Subchapter G (relating to Mental Health Community Services Standards). The new rules establish standards related to staffing practices, staff training, and credentialing; and permit the use of telecommunication or information technology.

20R008 Voluntary Admission for Psychiatric Services, effective

5/27/21 https://www.sos.texas.gov/texreg/archive/May212021/Adopted%20Rules/25.HEALTH %20SERVICES.html#54(link is external)

The Texas Health and Human Services Commission (HHSC) adopts the repeal of Title 25, Chapter 411, Subchapter J, concerning Standards of Care and Treatment in Psychiatric Hospitals. The repeal



is comprised of §§411.451 - 411.455, 411.459, 411.461 - 411.465, 411.468, 411.471 - 411.477, 411.482 - 411.485, 411.488, 411.490, 411.493 - 411.496, 411.499, and 411.500.

The repeals are adopted without changes to the proposed text as published in the January 1, 2021, issue of the *Texas Register* (46 TexReg 81) and therefore will not be republished.

Background and Justification. The repeals are necessary to remove the rules in Chapter 411, Subchapter J, Standards of Care and Treatment in Psychiatric Hospitals and adopt new rules in Title 26, Part 1, Chapter 568, Standards of Care and Treatment in Psychiatric Hospitals. The rules for Title 26, Chapter 568 are published elsewhere in this issue of the *Texas Register* and are substantially similar to the rules proposed for repeal. The new rules comply with current statute, create consistent training guidelines, correct outdated citations, and update language throughout to reflect the transition to the new title.

https://www.sos.texas.gov/texreg/archive/May212021/Adopted%20Rules/26.HEALTH%20AND%20H UMAN%20SERVICES.html#103(link is external)

The Texas Health and Human Services Commission (HHSC) adopts new §306.41, concerning Purpose; §306.43, concerning Application; §306.45, concerning Definitions; §306.47, concerning General Provisions; §306.51, concerning Admission Criteria; §306.53, concerning Pre-admission Screening and Assessment; §306.55, concerning Voluntary Admission Criteria and Intake Process; §306.57, concerning Involuntary Admission Criteria and Intake Process; §306.59, concerning Voluntary Treatment Following Voluntary Admission; §306.61, concerning Crisis Stabilization Unit Medical Services; §306.63, concerning Crisis Stabilization Unit Nursing Services; §306.65, concerning Crisis Stabilization Services and Recovery or Treatment Planning; §306.67, concerning Additional Standards of Care for Children and Adolescents; §306.71, concerning Discharge Planning; §306.73, concerning Discharge Notices; §306.75, concerning Discharge of a Voluntarily-Admitted Individual; §306.77, concerning Maximum Length of Stay for a Voluntarily-Admitted Individual; §306.79, concerning Discharge of an Involuntarily-Admitted Individual; §306.81, concerning Medical Record; §306.83, concerning Staff Training; §306.85, concerning Minimum Staffing Requirements; §306.87, concerning Protection of an Individual Receiving Crisis Stabilization Unit Services; §306.89, concerning Crisis Stabilization Unit Response to an Emergency Medical Condition; §306.91, concerning Transfers; §306.95, concerning Response to External Reviews.

New §§306.45, 306.47, 306.51, 306.53, 306.55, 306.57, 306.61, 306.67, 306.71, 306.73, 306.75, 306.77, 306.79, 306.81, 306.83, 306.85, 306.87, and 306.91 are adopted with changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9001). These rules will be



republished. Sections 306.41, 306.43, 306.59, 306.63, 306.65, 306.89, and 306.95 are adopted without changes to the proposed text as published in the December 18, 2020, issue of the *Texas Register* (45 TexReg 9001), and therefore will not be republished. New §306.93 is being withdrawn elsewhere in this edition of the *Texas Register*.

Background and Justification. The new sections are necessary to comply with Texas Government Code §531.0201(a)(2)(C), which requires the Department of State Health Services (DSHS) to ensure that client services functions previously performed by DSHS were transferred to HHSC on September 1, 2016. The new rules in the Texas Administrative Code (TAC) Title 26, Part 1, Chapter 306, Subchapter B, concerning Standards of Care in Crisis Stabilization Units, address the content of rules in 25 TAC Chapter 411, Subchapter M, concerning Standards of Care and Treatment in Crisis Stabilization Units. The rules in Chapter 411 are repealed elsewhere in this issue of the *Texas Register*.

The rules establish guidelines for the standards of care and treatment of individuals with mental illness or serious emotional disturbance who receive crisis stabilization services in crisis stabilization units (CSUs) licensed under Texas Health and Safety Code, Chapter 577 and 26 TAC Chapter 510 (relating to Private Psychiatric Hospitals and Crisis Stabilization Units).

The rules outline the requirements for voluntary or involuntary admission, pre-admission screening and assessment, intake processes, treatment, services, and discharge for individuals in CSUs. The new rules establish responsibilities of CSU administrators and staff members, and introduce standards related to services provided to children and adolescents. The new rules allow licensed physician assistants (PAs) and advanced practice registered nurses (APRNs) to perform physiciandelegated medical services and evaluations within their respective scopes of practice. The new rules also allow peer specialists to perform peer specialist services in accordance with 1 TAC Chapter 354, Subchapter N (relating to Peer Specialist Services), and allow qualified mental health professionalcommunity services in accordance with 26 TAC Chapter 301, Subchapter G (relating to Mental Health Community Services Standards). The new rules establish standards related to staffing practices, staff training, and credentialing; and permit the use of telecommunication or information technology.

20R031 Home Delivered Meals, effective

6/3/21 <u>https://www.sos.texas.gov/texreg/archive/May282021/Adopted%20Rules/26.HEALTH%</u> 20AND%20HUMAN%20SERVICES.html#151(link is external)

The Texas Health and Human Services Commission (HHSC) adopts amendments to §213.101, concerning Definitions, and §213.203, concerning Nutrition Services.



Section 213.101 is adopted without changes to the proposed text as published in the February 19, 2021, issue of the *Texas Register* (46 TexReg 1184). This rule will not be republished. Section 213.203 is adopted with changes to the proposed text as published in the February 19, 2021, issue of the *Texas Register* (46 TexReg 1184). This rule will be republished.

Background and Justification. The purpose of the amended rules is to ensure the rules are consistent with requirements of the Older Americans Act, 42 U.S.C. §§3001-3058ff. The current rules are more restrictive than federal law. The changes will allow area agencies on aging (AAAs) more flexibility when providing home delivered meal services to eligible persons. The flexibilities will reduce the need for AAAs to submit several waiver requests to HHSC for approval, thus streamlining the service delivery process. Agency specific policy is removed from the rule and included by reference. In addition, the rule is reorganized for clarity, readability, and consistency.

21R062 Reviewing Applications for Heightened Monitoring History, effective

6/13/21 https://www.sos.texas.gov/texreg/archive/June42021/Adopted%20Rules/26.HEALTH% 20AND%20HUMAN%20SERVICES.html#91(link is external)

The Texas Health and Human Services Commission (HHSC) adopts new §§745.491, 745.493, 745.495, and 745.497 in Title 26, Texas Administrative Code (TAC), Chapter 745, Licensing, Subchapter D, new Division 13, concerning Additional Considerations for Certain Residential Operations.

New §745.491 and §745.493 are adopted with changes to the proposed text as published in the February 26, 2021, issue of the *Texas Register* (46 TexReg 1325). These rules will be republished.

New §745.495 and §745.497 are adopted without changes to the proposed text as published in the February 26, 2021, issue of the *Texas Register* (46 TexReg 1325). These rules will not be republished.

Background and Justification. The purpose of the rules is to address the subject matter of emergency rules adopted in December 2020, as the emergency rules may only be effective for 120 days and for an extension of not more than 60 days. Those emergency rules require Child Care Regulation (CCR) to consider the previous five-year compliance history of related operations when evaluating an application for a new residential child-care operation license, if the applicant intends to contract with the Texas Department of Family and Protective Services (DFPS) or a Single Source Continuum Contractor (SSCC) to care for children in the conservatorship of DFPS. These rules are virtually the same as the emergency rules, with the following exceptions: 1) updating the references of "CCR" to "Licensing" to be consistent with how Child Care Regulation is referenced throughout



Chapter 745; and 2) not including the terms and definitions for "Licensing" and "Controlling person" that are in emergency rule §745.10201, because those terms are already defined in §745.11 and §745.21 respectively. As further described below, the adopted rules will also not include the term and definition for "Single Source Continuum Contractor" that is in emergency rule §745.10201, as this term is no longer necessary due to edits in response to a comment.

These rules require CCR to conduct the review when an applicant has been operating in a different location, has previously closed an operation, or has significant ties to another operation that is changing ownership. These rules also require the continuation of heightened monitoring as a condition of a new license if a previous or related operation is on heightened monitoring, met the criteria for heightened monitoring in the previous five years but was not placed on heightened monitoring, or was placed on heightened monitoring in the previous five years and did not successfully complete it.

The Executive Commissioner of HHSC adopted the emergency rules because of a December 18, 2020, order in the *M.D. v. Abbott* litigation. In that order, the federal court identified the need for CCR to evaluate compliance histories and continuity of heightened monitoring in evaluation of license applications to ensure children in the conservatorship of DFPS, who are placed in residential childcare operations licensed by HHSC, are not placed at an unreasonable risk of serious harm in violation of their Fourteenth Amendment substantive due process rights.

The emergency rules and these new rules in Chapter 745 comply with this order, and other orders by the same federal court finding, that an unreasonable risk of serious harm exists in the absence of certain actions by HHSC to protect the health, safety, and welfare of certain children.

<u>6. Adjourn</u> There being no further business the meeting was adjourned



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