

GOVERNMENT CODE

TITLE 4. EXECUTIVE BRANCH

SUBTITLE I. HEALTH AND HUMAN SERVICES

CHAPTER 524. AUTHORITY OVER HEALTH AND HUMAN SERVICES SYSTEM

SUBCHAPTER A. SYSTEM OVERSIGHT AUTHORITY OF COMMISSION

Sec. 524.0001. GENERAL RESPONSIBILITY OF COMMISSION FOR HEALTH AND HUMAN SERVICES SYSTEM; PRIORITIZATION OF CERTAIN DUTIES.

(a) The commission shall:

(1) supervise the administration and operation of Medicaid, including the administration and operation of the Medicaid managed care system in accordance with Sections [532.0051](#) and [532.0057](#);

(2) perform information resources planning and management for the health and human services system under Section [525.0251](#), with:

(A) the provision of information technology services for the health and human services system as a centralized administrative support service performed either by commission personnel or under a contract with the commission; and

(B) an emphasis on research and implementation on a demonstration or pilot basis of appropriate and efficient uses of new and existing technology to improve the operation of the health and human services system and delivery of health and human services;

(3) monitor and ensure the effective use of all federal funds received for the health and human services system in accordance with Section [525.0052](#) and the General Appropriations Act;

(4) implement Texas Integrated Enrollment Services as required by Subchapter [A](#), Chapter [545](#), except that notwithstanding that subchapter, the commission is responsible for determining and must centralize benefits eligibility under the following programs:

(A) the child health plan program;

(B) the financial assistance program under Chapter [31](#), Human Resources Code;

(C) Medicaid;

(D) the supplemental nutrition assistance program under Chapter 33, Human Resources Code;

(E) long-term care services as defined by Section 22.0011, Human Resources Code;

(F) community-based support services identified or provided in accordance with Subchapter D, Chapter 546; and

(G) other health and human services programs, as appropriate; and

(5) implement programs intended to prevent family violence and provide services to victims of family violence.

(b) The commission shall implement the powers and duties given to the commission under Sections 525.0002, 525.0153, 2155.144, and 2167.004.

(c) After implementing the commission's duties under Subsections (a) and (b), the commission shall implement the powers and duties given to the commission under Section 525.0160.

(d) Nothing in the priorities established by this section is intended to limit the commission's authority to work simultaneously to achieve the multiple tasks assigned to the commission in this section and Section 524.0202(a)(1) when that approach is beneficial in the commission's judgment.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. 4611), Sec. 1.01, eff. April 1, 2025.

Sec. 524.0002. GENERAL RESPONSIBILITY OF EXECUTIVE COMMISSIONER FOR HEALTH AND HUMAN SERVICES SYSTEM. (a) The executive commissioner, as necessary to perform the functions described by Section 524.0001 and Subchapter E in implementing applicable policies the executive commissioner establishes for a health and human services agency or division, shall:

(1) manage and direct the operations of each agency or division, as applicable;

(2) supervise and direct the activities of each agency commissioner or division director, as applicable; and

(3) be responsible for the administrative supervision of the internal audit program for the agencies, including:

(A) selecting the director of internal audit;

(B) ensuring the director of internal audit reports directly to the executive commissioner; and

(C) ensuring the independence of the internal audit function.

(b) The executive commissioner's operational authority and responsibility for purposes of Subsection (a) and Section [524.0151](#)(a)(2) for each health and human services agency or division, as applicable, includes authority over and responsibility for:

(1) daily operations management of the agency or division, including the organization, management, and operating procedures of the agency or division;

(2) resource allocation within the agency or division, including the use of federal funds the agency or division receives;

(3) personnel and employment policies;

(4) contracting, purchasing, and related policies, subject to this chapter and other laws relating to contracting and purchasing by a state agency;

(5) information resources systems the agency or division uses;

(6) facility location; and

(7) the coordination of agency or division activities with activities of other components of the health and human services system and state agencies.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. [4611](#)), Sec. 1.01, eff. April 1, 2025.

Sec. 524.0003. ADOPTION OR APPROVAL OF PAYMENT RATES. Notwithstanding any other law, the executive commissioner's operational authority and responsibility for purposes of Sections [524.0002](#)(a) and [524.0151](#)(a)(2) for each health and human services agency or division, as applicable, include the authority and responsibility to adopt or approve, subject to applicable limitations, any payment rate or similar provision a health and human services agency is required by law to adopt or approve.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. [4611](#)), Sec. 1.01, eff. April 1, 2025.

Sec. 524.0004. PROGRAM TO EVALUATE AND SUPERVISE DAILY OPERATIONS. (a) For each health and human services agency and division, as applicable, the executive commissioner shall implement a program to evaluate and supervise daily operations.

(b) The program must include:

(1) measurable performance objectives for each agency commissioner or division director; and

(2) adequate reporting requirements to permit the executive commissioner to perform the duties assigned to the executive commissioner under:

(A) this subchapter;

(B) Sections [524.0101\(a\)](#), [524.0151\(a\)\(2\)](#) and (b), and [525.0254\(b\)](#); and

(C) Section [524.0202](#) with respect to the health and human services system.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. [4611](#)), Sec. 1.01, eff. April 1, 2025.

Sec. 524.0005. RULES. The executive commissioner shall adopt rules to implement the executive commissioner's authority under this subchapter with respect to the health and human services system.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. [4611](#)), Sec. 1.01, eff. April 1, 2025.

SUBCHAPTER B. COMMISSIONERS OF HEALTH AND HUMAN SERVICES AGENCIES

Sec. 524.0051. APPOINTMENT OF AGENCY COMMISSIONER BY EXECUTIVE COMMISSIONER. (a) The executive commissioner, with the governor's approval, shall appoint a commissioner for each health and human services agency.

(b) A health and human services agency commissioner serves at the executive commissioner's pleasure.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. [4611](#)), Sec. 1.01,

eff. April 1, 2025.

Sec. 524.0052. EVALUATION OF AGENCY COMMISSIONER. Based on the performance objectives outlined in the memorandum of understanding entered into under Section 524.0101(a), the executive commissioner shall perform an employment evaluation of each health and human services agency commissioner. The executive commissioner shall submit the evaluation to the governor not later than January 1 of each even-numbered year.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. 4611), Sec. 1.01, eff. April 1, 2025.

SUBCHAPTER C. MEMORANDUM OF UNDERSTANDING FOR OPERATION OF SYSTEM

Sec. 524.0101. MEMORANDUM OF UNDERSTANDING BETWEEN EXECUTIVE COMMISSIONER AND HEALTH AND HUMAN SERVICES AGENCY COMMISSIONER. (a) The executive commissioner and each health and human services agency commissioner shall enter into a memorandum of understanding in the manner prescribed by Section 524.0102 that:

(1) clearly defines the responsibilities of the executive commissioner and the commissioner, including:

(A) the responsibility of the commissioner to:

(i) report to the governor; and

(ii) report to and implement policies of the executive commissioner; and

(B) the extent to which the commissioner acts as a liaison between the health and human services agency the commissioner serves and the commission;

(2) establishes the program to evaluate and supervise daily operations required by Section 524.0004;

(3) describes each power or duty delegated to a commissioner; and

(4) ensures the commission and each health and human services agency has access to databases or other information each other agency maintains or keeps that is necessary for the operation of a function the commission or the health and human services agency performs, to the extent not prohibited by other law.

(b) The memorandum of understanding must also outline specific performance objectives, as the executive commissioner defines, to be fulfilled by the health and human services agency commissioner with whom the executive commissioner enters into the memorandum of understanding, including the performance objectives required by Section 524.0004.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. 4611), Sec. 1.01, eff. April 1, 2025.

Sec. 524.0102. ADOPTION AND AMENDMENT OF MEMORANDUM OF UNDERSTANDING. (a) The executive commissioner by rule shall adopt the memorandum of understanding under Section 524.0101 in accordance with the procedures prescribed by Subchapter B, Chapter 2001, for adopting rules, except that the requirements of Sections 2001.033(a)(1)(A) and (C) do not apply with respect to any part of the memorandum of understanding that:

(1) concerns only internal management or organization within or among health and human services agencies and does not affect private rights or procedures; or

(2) relates solely to the internal personnel practices of health and human services agencies.

(b) The memorandum of understanding may be amended only by following the procedures prescribed by Subsection (a).

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. 4611), Sec. 1.01, eff. April 1, 2025.

SUBCHAPTER D. RULES AND POLICIES FOR HEALTH AND HUMAN SERVICES

Sec. 524.0151. AUTHORITY TO ADOPT RULES AND POLICIES.

(a) The executive commissioner shall:

(1) adopt rules necessary to carry out the commission's duties under Chapter 531 and revised provisions derived from Chapter 531, as that chapter existed on March 31, 2025; and

(2) notwithstanding any other law, adopt rules and policies for the operation of the health and human services system and the provision of health and human services by that system.

(b) Notwithstanding any other law, the executive commissioner has the authority to adopt rules and policies governing:

(1) the delivery of services to persons the health and human services system serves; and

(2) the rights and duties of persons the system serves or regulates.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. [4611](#)), Sec. 1.01, eff. April 1, 2025.

Sec. 524.0152. PROCEDURES FOR ADOPTING RULES AND POLICIES.

(a) The executive commissioner shall develop procedures for adopting rules for the health and human services agencies. The procedures must specify the manner in which the agencies may participate in the rulemaking process.

(b) A health and human services agency shall assist the executive commissioner in developing policies and guidelines needed for the administration of the agency's functions and shall submit any proposed policies and guidelines to the executive commissioner. The agency may implement a proposed policy or guideline only if the executive commissioner approves the policy or guideline.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. [4611](#)), Sec. 1.01, eff. April 1, 2025.

Sec. 524.0153. POLICY FOR NEGOTIATED RULEMAKING AND ALTERNATIVE DISPUTE RESOLUTION PROCEDURES. (a) The commission shall develop and implement a policy for the commission and each health and human services agency to encourage the use of:

(1) negotiated rulemaking procedures under Chapter [2008](#) for the adoption of rules for the commission and each agency; and

(2) appropriate alternative dispute resolution procedures under Chapter [2009](#) to assist in the resolution of internal and external disputes under the commission's or agency's jurisdiction.

(b) The procedures relating to alternative dispute

resolution must conform, to the extent possible, to any model guidelines the State Office of Administrative Hearings issues for the use of alternative dispute resolution by state agencies.

(c) The commission shall:

(1) coordinate the implementation of the policy developed under Subsection (a);

(2) provide training as needed to implement the procedures for negotiated rulemaking or alternative dispute resolution; and

(3) collect data concerning the effectiveness of those procedures.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. [4611](#)), Sec. 1.01, eff. April 1, 2025.

Sec. 524.0154. PERSON FIRST RESPECTFUL LANGUAGE PROMOTION. The executive commissioner shall ensure that the commission and each health and human services agency use the terms and phrases listed as preferred under the person first respectful language initiative in Chapter [392](#) when proposing, adopting, or amending the commission's or agency's rules, reference materials, publications, or electronic media.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. [4611](#)), Sec. 1.01, eff. April 1, 2025.

SUBCHAPTER E. ADMINISTRATIVE SUPPORT SERVICES

Sec. 524.0201. DEFINITION. In this subchapter, "administrative support services" includes strategic planning and evaluation, audit, legal, human resources, information resources, purchasing, contracting, financial management, and accounting services.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. [4611](#)), Sec. 1.01, eff. April 1, 2025.

Sec. 524.0202. CENTRALIZED SYSTEM OF ADMINISTRATIVE SUPPORT SERVICES. (a) Subject to Section [524.0203\(a\)](#), the executive commissioner shall plan and implement an efficient and effective

centralized system of administrative support services for:

- (1) the health and human services system; and
- (2) the Department of Family and Protective Services.

(b) The commission is responsible for the performance of administrative support services for the health and human services system. The executive commissioner shall adopt rules to implement the executive commissioner's authority under this section with respect to that system.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. [4611](#)), Sec. 1.01, eff. April 1, 2025.

Sec. 524.0203. PRINCIPLES FOR AND REQUIREMENTS OF CENTRALIZED SYSTEM; MEMORANDUM OF UNDERSTANDING. (a) The executive commissioner shall plan and implement the centralized system of administrative support services in accordance with the following principles and requirements:

(1) the executive commissioner shall consult with the commissioner of each agency and the director of each division within the health and human services system to ensure the commission is responsive to and addresses agency or division needs;

(2) consolidation of staff providing the support services must be done in a manner that ensures each agency or division within the health and human services system that loses staff as a result of the centralization of support services has adequate resources to carry out functions of the agency or division, as appropriate; and

(3) the commission and each agency or division within the health and human services system shall, as appropriate, enter into a memorandum of understanding or other written agreement to ensure accountability for the provision of support services by clearly detailing:

(A) the responsibilities of each agency or division and the commission;

(B) the points of contact for each agency or division and the commission;

(C) the transfer of personnel among each agency or division and the commission;

(D) the agreement's budgetary effect on each agency or division and the commission; and

(E) any other item the executive commissioner determines is critical for maintaining accountability.

(b) A memorandum of understanding or other written agreement entered into under Subsection (a)(3) may be combined with the memorandum of understanding required under Section [524.0101](#)(a), if appropriate.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. [4611](#)), Sec. 1.01, eff. April 1, 2025.

SUBCHAPTER F. LEGISLATIVE OVERSIGHT

Sec. 524.0251. OVERSIGHT BY LEGISLATIVE COMMITTEES. The standing or other committees of the house of representatives and the senate that have jurisdiction over the commission and other agencies relating to implementation of Chapter [531](#) and revised provisions derived from Chapter [531](#), as that chapter existed on March 31, 2025, as identified by the speaker of the house of representatives and the lieutenant governor, shall:

(1) to ensure implementation consistent with law, monitor the commission's:

(A) implementation of Subchapter A, Sections [524.0101](#)(a), [524.0151](#)(a)(2) and (b), and [525.0254](#)(b), and Section [524.0202](#) with respect to the health and human services system; and

(B) other duties in consolidating and integrating health and human services;

(2) recommend any needed adjustments to the implementation of the provisions listed in Subdivision (1)(A) and the commission's other duties in consolidating and integrating health and human services; and

(3) review the commission's rulemaking process, including the commission's plan for obtaining public input.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. [4611](#)), Sec. 1.01, eff. April 1, 2025.

Sec. 524.0252. INFORMATION PROVIDED TO LEGISLATIVE

COMMITTEES. The commission shall provide the committees described by Section [524.0251](#) with copies of all required reports and proposed rules. Copies of the proposed rules must be provided to the committees before the rules are published in the Texas Register. At the request of a committee or the executive commissioner, a health and human services agency shall:

(1) provide other information to the committee, including information relating to the health and human services system; and

(2) report on agency progress in implementing statutory directives the committee identifies and the commission's directives.

Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. [4611](#)), Sec. 1.01, eff. April 1, 2025.