GOVERNMENT CODE

TITLE 4. EXECUTIVE BRANCH

SUBTITLE I. HEALTH AND HUMAN SERVICES

CHAPTER 525. GENERAL POWERS AND DUTIES OF COMMISSION AND EXECUTIVE COMMISSIONER

SUBCHAPTER A. HEALTH AND HUMAN SERVICES ADMINISTRATION GENERALLY

Sec. 525.0001. POWERS AND DUTIES RELATING TO HEALTH AND HUMAN SERVICES ADMINISTRATION. The commission and the executive commissioner have all the powers and duties necessary to administer Chapter 531 and revised provisions derived from Chapter 531, as that chapter existed March 31, 2025.

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

Sec. 525.0002. LOCATION OF AND CONSOLIDATION OF CERTAIN SERVICES AMONG HEALTH AND HUMAN SERVICES AGENCIES. (a) The commission may require a health and human services agency, under the commission's direction, to:

- (1) ensure that the agency's location is accessible to:
 - (A) employees with disabilities; and
 - (B) agency clients with disabilities; and
- (2) consolidate agency support services, including clerical, administrative, and information resources support services, with support services provided to or by another health and human services agency.
- (b) The executive commissioner may require a health and human services agency, under the executive commissioner's direction, to locate all or a portion of the agency's employees and programs:
- (1) in the same building as another health and human services agency; or
- (2) at a location near or adjacent to another health and human services agency's location.

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

eff. April 1, 2025.

- Sec. 525.0003. CONSOLIDATED INTERNAL AUDIT PROGRAM.

 (a) Notwithstanding Section 2102.005, the commission shall operate the internal audit program required under Chapter 2102 for the commission and each health and human services agency as a consolidated internal audit program.
- (b) For purposes of this section, a reference in Chapter 2102 to the administrator of a state agency with respect to a health and human services agency means the executive commissioner.

 Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. 4611), Sec. 1.01, eff. April 1, 2025.
- Sec. 525.0004. INTERAGENCY DISPUTE ARBITRATION. The executive commissioner shall arbitrate and render the final decision on interagency disputes.

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

SUBCHAPTER B. ACCOUNTING AND FISCAL PROVISIONS

Sec. 525.0051. MANAGEMENT INFORMATION AND COST ACCOUNTING SYSTEMS. The executive commissioner shall establish a management information system and a cost accounting system for all health and human services that is compatible with and meets the requirements of the uniform statewide accounting project.

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

The following section was amended by the 89th Legislature. Pending publication of the current statutes, see H.B. 1620, 89th Legislature, Regular Session, for amendments affecting the following section.

Sec. 525.0052. FEDERAL FUNDS: PLANNING AND MANAGEMENT; ANNUAL REPORT. (a) The commission, subject to the General Appropriations Act, is responsible for planning for and managing the use of federal funds in a manner that maximizes the federal

funding available to this state while promoting the delivery of services.

- (b) The executive commissioner shall:
- (1) establish a federal money management system to coordinate and monitor the use of federal money health and human services agencies receive to ensure that the money is spent in the most efficient manner;
- (2) establish priorities for health and human services agencies' use of federal money in coordination with the coordinated strategic plan the executive commissioner develops under Section 525.0154;
- (3) coordinate and monitor the use of federal money for health and human services to ensure that the money is spent in the most cost-effective manner throughout the health and human services system;
- (4) review and approve all federal funding plans for health and human services in this state;
- (5) estimate available federal money, including earned federal money, and monitor unspent money;
- (6) ensure that the state meets federal requirements relating to receipt of federal money for health and human services, including requirements relating to state matching money and maintenance of effort;
- (7) transfer appropriated amounts as described by Section 525.0053; and
- (8) ensure that each governmental entity the executive commissioner identifies under Section 525.0155 has access to complete and timely information about all sources of federal money for health and human services programs and that technical assistance is available to governmental entities seeking grants of federal money to provide health and human services.
- (c) The commission shall prepare an annual report regarding the results of implementing this section. The report must identify strategies to:
 - (1) maximize the receipt and use of federal funds; and
 - (2) improve federal funds management.
 - (d) Not later than December 15 of each year, the commission

shall file the report the commission prepares under Subsection (c) with the governor, the lieutenant governor, and the speaker of the house of representatives.

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

Sec. 525.0053. AUTHORITY TO TRANSFER CERTAIN APPROPRIATED AMOUNTS AMONG HEALTH AND HUMAN SERVICES AGENCIES. The commission may, subject to the General Appropriations Act, transfer amounts appropriated to health and human services agencies among the agencies to:

- (1) enhance the receipt of federal money under the federal money management system the executive commissioner establishes under Section 525.0052;
- (2) achieve efficiencies in the agencies' administrative support functions; and
- (3) perform the functions assigned to the executive commissioner under:
 - (A) Subchapter A, Chapter 524; and
- (B) Sections 524.0101, 524.0151, 524.0202, and 525.0254.

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

Sec. 525.0054. EFFICIENCY AUDIT OF CERTAIN ASSISTANCE PROGRAMS. (a) For purposes of this section, "efficiency audit" means an investigation of the implementation and administration of the federal Temporary Assistance for Needy Families program operated under Chapter 31, Human Resources Code, and the state temporary assistance and support services program operated under Chapter 34, Human Resources Code, to examine fiscal management, the efficiency of the use of resources, and the effectiveness of state efforts in achieving the goals of the Temporary Assistance for Needy Families program described under 42 U.S.C. Section 601(a).

(b) In 2022 and every sixth year after that year, an external auditor selected under Subsection (c) shall conduct an efficiency audit. The commission shall pay the costs associated

with the audit using existing resources.

- (c) The state auditor shall:
- (1) not later than March 1 of the year in which an efficiency audit is required under this section, select an external auditor to conduct the audit; and
- (2) ensure that the external auditor conducts the audit in accordance with this section.
- (d) The external auditor shall be independent and not subject to direction from:
 - (1) the commission; or
 - (2) any other state agency that:
- (A) is subject to evaluation by the auditor for purposes of this section; or
- (B) receives or spends money under the programs described by Subsection (a).
- (e) The external auditor shall complete the efficiency audit not later than the 90th day after the date the state auditor selects the external auditor.
- (f) The Legislative Budget Board shall establish the scope of the efficiency audit and determine the areas of investigation for the audit, including:
- (1) reviewing the resources dedicated to a program described by Subsection (a) to determine whether those resources:
- (A) are used effectively and efficiently to achieve desired outcomes for individuals receiving benefits under the program; and
- (B) are not used for purposes other than the intended goals of the program;
- (2) identifying cost savings or reallocations of resources; and
- (3) identifying opportunities to improve services through consolidation of essential functions, outsourcing, and elimination of duplicative efforts.
- (g) Not later than November 1 of the year an efficiency audit is conducted, the external auditor shall prepare and submit a report of the audit and recommendations for efficiency improvements to:

- (1) the governor;
- (2) the Legislative Budget Board;
- (3) the state auditor;
- (4) the executive commissioner; and
- (5) the chairs of the House Human Services Committee and the Senate Health and Human Services Committee.
- (h) The executive commissioner and the state auditor shall publish the report, recommendations, and full efficiency audit on the commission's and the state auditor's Internet websites.

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

Sec. 525.0055. GIFTS AND GRANTS. The commission may accept a gift or grant from a public or private source to perform any of the commission's powers or duties.

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

SUBCHAPTER C. CONTRACTS

Sec. 525.0101. GENERAL CONTRACT AUTHORITY. The commission may enter into contracts as necessary to perform any of the commission's powers or duties.

- Sec. 525.0102. SUBROGATION AND THIRD-PARTY REIMBURSEMENT CONTRACTS. (a) Except as provided by Subsection (d), the commission shall enter into a contract under which the contractor is authorized on behalf of the commission or a health and human services agency to recover money under a subrogation or third-party reimbursement right the commission or agency holds that arises from payment of medical expenses. The contract must provide that:
- (1) the commission or agency, as appropriate, shall compensate the contractor based on a percentage of the amount of money the contractor recovers for the commission or agency; and
 - (2) the contractor may represent the commission or

agency in a court proceeding to recover money under a subrogation or third-party reimbursement right if:

- (A) the attorney required by other law to represent the commission or agency in court approves; and
- (B) the representation is cost-effective and specifically authorized by the commission.
 - (b) The commission shall develop a process to:
- (1) identify claims for the recovery of money under a subrogation or third-party reimbursement right described by this section; and
- (2) refer the identified claims to a contractor authorized under this section.
- (c) A health and human services agency shall cooperate with a contractor authorized under this section on a claim the agency refers to the contractor for recovery.
- (d) If the commission cannot identify a contractor who is willing to contract with the commission under this section on reasonable terms, the commission:
- (1) is not required to enter into a contract under Subsection (a); and
- (2) shall develop and implement alternative policies to ensure the recovery of money under a subrogation or third-party reimbursement right.
- (e) The commission may allow a state agency other than a health and human services agency to be a party to the contract required by Subsection (a). If the commission allows an additional state agency to be a party to the contract, the commission shall modify the contract as necessary to reflect the services the contractor is to provide to that agency.

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

SUBCHAPTER D. PLANNING AND DELIVERY OF HEALTH AND HUMAN SERVICES

The following section was amended by the 89th Legislature. Pending publication of the current statutes, see H.B. 1620, 89th Legislature, Regular Session, for amendments affecting the

following section.

- Sec. 525.0151. PLANNING AND DELIVERY OF HEALTH AND HUMAN SERVICES GENERALLY. The executive commissioner shall:
- (1) facilitate and enforce coordinated planning and delivery of health and human services, including:
- (A) compliance with the coordinated strategic plan;
 - (B) colocation of services;
 - (C) integrated intake; and
 - (D) coordinated referral and case management;
- (2) establish and enforce uniform regional boundaries for all health and human services agencies;
- (3) carry out statewide health and human services needs surveys and forecasting;
- (4) perform independent special-outcome evaluations of health and human services programs and activities; and
- (5) on request of a governmental entity the executive commissioner identifies under Section 525.0155, assist the entity in implementing a coordinated plan that:
- (A) may include colocation of services, integrated intake, and coordinated referral and case management; and
- (B) is tailored to the entity's needs and priorities.

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

Sec. 525.0152. PLANNING AND POLICY DIRECTION OF TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM. (a) In this section, "financial assistance program" means the financial assistance program operated under Chapter 31, Human Resources Code.

(b) The commission shall:

- (1) plan and direct the financial assistance program, including the procurement, management, and monitoring of contracts necessary to implement the program; and
- (2) establish requirements for and define the scope of the ongoing evaluation of the financial assistance program.

- (c) The executive commissioner shall adopt rules and standards governing the financial assistance program.

 Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. 4611), Sec. 1.01, eff. April 1, 2025.
- Sec. 525.0153. ANNUAL BUSINESS SERVICES PLANS. The commission shall develop and implement an annual business services plan for each health and human services region that:
- (1) establishes performance objectives for all health and human services agencies providing services in the region; and
- (2) measures agency effectiveness and efficiency in achieving those objectives.

The following section was amended by the 89th Legislature. Pending publication of the current statutes, see H.B. 1620, 89th Legislature, Regular Session, for amendments affecting the following section.

Sec. 525.0154. COORDINATED STRATEGIC PLAN AND BIENNIAL PLAN UPDATES FOR HEALTH AND HUMAN SERVICES. (a) The executive commissioner shall:

- (1) develop a coordinated, six-year strategic plan for health and human services in this state; and
- (2) submit a biennial update of the plan to the governor, the lieutenant governor, and the speaker of the house of representatives not later than October 1 of each even-numbered year.
- (b) The coordinated strategic plan must include the following goals:
- (1) developing a comprehensive, statewide approach to the planning of health and human services;
- (2) creating a continuum of care for families and individuals in need of health and human services;
- (3) integrating health and human services to provide for the efficient and timely delivery of those services;
 - (4) maximizing existing resources through effective

funds management and the sharing of administrative functions;

- (5) effectively using management information systems to continually improve service delivery;
- (6) providing systemwide accountability through effective monitoring mechanisms;
- (7) promoting teamwork among the health and human services agencies and providing incentives for creativity;
 - (8) fostering innovation at the local level; and
- (9) encouraging full participation of fathers in programs and services relating to children.
- (c) In developing the coordinated strategic plan and plan updates under this section, the executive commissioner shall consider:
- (1) existing strategic plans of health and human services agencies;
- (2) health and human services priorities and plans governmental entities submit under Section 525.0155;
- (3) facilitation of pending reorganizations or consolidations of health and human services agencies and programs;
- (4) public comment, including comment documented through public hearings conducted under Section 523.0252; and
- (5) budgetary issues, including projected agency needs and projected availability of funds.

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

The following section was amended by the 89th Legislature. Pending publication of the current statutes, see H.B. 1620, 89th Legislature, Regular Session, for amendments affecting the following section.

Sec. 525.0155. COORDINATION WITH LOCAL GOVERNMENTAL ENTITIES. The executive commissioner shall:

- (1) identify the governmental entities that coordinate the delivery of health and human services in regions, counties, and municipalities; and
 - (2) request that each identified governmental entity:
 - (A) identify the health and human services

priorities in the entity's jurisdiction and the most effective ways to deliver and coordinate services in that jurisdiction;

- (B) develop a coordinated plan for delivering health and human services in the jurisdiction, including transition services that prepare special education students for adulthood; and
- (C) make available to the commission the information requested under Paragraphs (A) and (B).

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

Sec. 525.0156. SUBMISSION AND REVIEW OF AGENCY STRATEGIC PLANS AND BIENNIAL PLAN UPDATES. (a) Each health and human services agency shall submit to the commission a strategic plan and biennial updates of the plan on a date determined by commission rule.

(b) The commission shall:

- (1) review and comment on each strategic plan and biennial update a health and human services agency submits to the commission under this section; and
- (2) not later than January 1 of each even-numbered year, begin formal discussions with each health and human services agency regarding that agency's strategic plan or biennial update, as appropriate.

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

Sec. 525.0157. STATEWIDE NEEDS APPRAISAL PROJECT. (a) The commission may implement the Statewide Needs Appraisal Project to obtain county-specific demographic data concerning health and human services needs in this state.

- (b) Any collected data must be made available for use in planning and budgeting for health and human services programs by state agencies.
- (c) The commission shall coordinate the commission's activities with the appropriate health and human services agencies. Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. 4611), Sec. 1.01, eff. April 1, 2025.

- Sec. 525.0158. STREAMLINING SERVICE DELIVERY. To integrate and streamline service delivery and facilitate access to services, the executive commissioner may:
- (1) request a health and human services agency to take a specific action; and
- (2) recommend the manner for accomplishing the streamlining, including requesting each agency to:
 - (A) simplify or automate agency procedures;
- (B) coordinate service planning and management tasks between and among health and human services agencies;
 - (C) reallocate staff resources;
 - (D) waive existing rules; or
 - (E) take other necessary actions.

- Sec. 525.0159. HOTLINE AND CALL CENTER COORDINATION.
- (a) The commission shall establish a process to ensure all health and human services system hotlines and call centers are necessary and appropriate. Under the process, the commission shall:
- (1) develop criteria for use in assessing whether a hotline or call center serves an ongoing purpose;
- (2) develop and maintain an inventory of all system hotlines and call centers;
- (3) use the inventory and assessment criteria the commission develops under this subsection to periodically consolidate hotlines and call centers along appropriate functional lines;
- (4) develop an approval process designed to ensure that a newly established hotline or call center, including the telephone system and contract terms for the hotline or call center, meets policies and standards the commission establishes; and
- (5) develop policies and standards for hotlines and call centers that:
- (A) include quality and quantity performance measures and benchmarks; and

- (B) may include policies and standards for:
 - (i) client satisfaction with call

resolution;

- (ii) accuracy of information provided;
- (iii) the percentage of received calls that

are answered;

- (iv) the amount of time a caller spends on hold; and
 - (v) call abandonment rates.
- (b) In consolidating hotlines and call centers under Subsection (a)(3), the commission shall seek to maximize the use and effectiveness of the commission's 2-1-1 telephone number.
- (c) In developing policies and standards under Subsection (a)(5), the commission may allow varied performance measures and benchmarks for a hotline or call center based on factors affecting the capacity of the hotline or call center, including factors such as staffing levels and funding.

- Sec. 525.0160. COMMUNITY-BASED SUPPORT SYSTEMS.

 (a) Subject to Sections 524.0001(c) and (d) and 524.0202(a)(1), the commission shall assist communities in this state in developing comprehensive, community-based support systems for health and human services. At a community's request, the commission shall provide to the community resources and assistance to enable the community to:
- (1) identify and overcome institutional barriers to developing more comprehensive community support systems, including barriers resulting from the policies and procedures of state health and human services agencies; and
- (2) develop a system of blended funds to allow the community to customize services to fit individual community needs.
- (b) At the commission's request, a health and human services agency shall provide to a community resources and assistance as necessary to perform the commission's duties under Subsection (a).
 - (c) A health and human services agency that receives or

develops a proposal for a community initiative shall submit the proposal to the commission for review and approval. The commission shall review the proposal to ensure that the proposed initiative:

- (1) is consistent with other similar programs offered in communities; and
- (2) does not duplicate other services provided in the community.
- (d) In implementing this section, the commission shall consider models used in other service delivery systems, including the mental health and intellectual disability service delivery systems.

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

SUBCHAPTER E. HEALTH INFORMATION EXCHANGE SYSTEM

Sec. 525.0201. DEFINITIONS. In this subchapter:

- (1) "Electronic health record" means an electronic record of an individual's aggregated health-related information that conforms to nationally recognized interoperability standards and that can be created, managed, and consulted by authorized health care providers across two or more health care organizations.
- (2) "Electronic medical record" means an electronic record of an individual's health-related information that can be created, gathered, managed, and consulted by authorized clinicians and staff within a single health care organization.
- (3) "Health information exchange system" means an electronic health information exchange system created under this subchapter that moves health-related information among entities according to nationally recognized standards.

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

Sec. 525.0202. HEALTH INFORMATION EXCHANGE SYSTEM DEVELOPMENT. (a) The commission shall develop an electronic health information exchange system to improve the quality, safety, and efficiency of health care services provided under Medicaid and

the child health plan program. In developing the system, the commission shall ensure that:

- (1) the confidentiality of patients' health information is protected and patient privacy is maintained in accordance with federal and state law, including:
- (A) Section 1902(a)(7), Social Security Act (42 U.S.C. Section 1396a(a)(7));
- (B) the Health Insurance Portability and Accountability Act of 1996 (Pub. L. No. 104-191);
 - (C) Chapter 552;
- (D) Subchapter G, Chapter 241, Health and Safety Code;
 - (E) Section 12.003, Human Resources Code; and
 - (F) federal and state rules, including:
 - (i) 42 C.F.R. Part 431, Subpart F; and
 - (ii) 45 C.F.R. Part 164;
- (2) appropriate information technology systems the commission and health and human services agencies use are interoperable;
- (3) the system and external information technology systems are interoperable in receiving and exchanging appropriate electronic health information as necessary to enhance:
- (A) the comprehensive nature of information contained in electronic health records; and
- (B) health care provider efficiency by supporting integration of the information into the electronic health record health care providers use;
- (4) the system and other health information systems not described by Subdivision (3) and data warehousing initiatives are interoperable; and
- $\hspace{1.5cm} \hbox{(5)} \hspace{0.2cm} \hbox{the system includes the elements described by } \\ \hbox{Subsection (b).}$
- (b) The health information exchange system must include the following elements:
- (1) an authentication process that uses multiple forms of identity verification before allowing access to information systems and data;

- (2) a formal process for establishing data-sharing agreements within the community of participating providers in accordance with the Health Insurance Portability and Accountability Act of 1996 (Pub. L. No. 104-191) and the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5);
- (3) a method by which the commission may open or restrict access to the system during a declared state emergency;
- (4) the capability of appropriately and securely sharing health information with state and federal emergency responders;
- (5) compatibility with the Nationwide Health Information Network (NHIN) and other national health information technology initiatives coordinated by the Office of the National Coordinator for Health Information Technology;
- (6) technology that allows for patient identification across multiple systems; and
- (7) the capability of allowing a health care provider with technology that meets current national standards to access the system.
- (c) The health information exchange system must be developed in accordance with the Medicaid Information Technology Architecture (MITA) initiative of the Centers for Medicare and Medicaid Services and conform to other standards required under federal law.

Sec. 525.0203. HEALTH INFORMATION EXCHANGE SYSTEM IMPLEMENTATION IN STAGES. The commission shall implement the health information exchange system in stages as described by this subchapter, except that the commission may deviate from those stages if technological advances make a deviation advisable or more efficient.

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

Sec. 525.0204. HEALTH INFORMATION EXCHANGE SYSTEM STAGE

ONE: ENCOUNTER DATA. In stage one of implementing the health information exchange system and for purposes of the implementation, the commission shall require each managed care organization with which the commission contracts under Chapter 540 or 540A for the provision of Medicaid managed care services or under Chapter 62, Health and Safety Code, for the provision of child health plan program services to submit to the commission complete and accurate encounter data not later than the 30th day after the last day of the month in which the managed care organization adjudicated the claim. Added by Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. 4611), Sec. 1.01, eff. April 1, 2025.

Sec. 525.0205. HEALTH INFORMATION EXCHANGE SYSTEM STAGE ONE: ELECTRONIC PRESCRIBING. (a) In stage one of implementing the health information exchange system, the commission shall support and coordinate electronic prescribing tools health care providers and health care facilities use under Medicaid and the child health plan program.

- (b) The commission shall collaborate with, and accept recommendations from, physicians and other stakeholders to ensure that the electronic prescribing tools described by Subsection (a):
- (1) are integrated with existing electronic prescribing systems otherwise in use in the public and private sectors; and
 - (2) to the extent feasible:
- (A) provide current payer formulary information at the time a health care provider writes a prescription; and
- (B) support the electronic transmission of a prescription.
- (c) The commission may take any reasonable action to comply with this section, including establishing information exchanges with national electronic prescribing networks or providing health care providers with access to an Internet-based prescribing tool the commission develops.
- (d) The commission shall apply for and actively pursue any waiver to the state Medicaid plan or the child health plan program from the Centers for Medicare and Medicaid Services or any other

federal agency as necessary to remove an identified impediment to supporting and implementing electronic prescribing tools under this section, including the requirement for handwritten certification of certain drugs under 42 C.F.R. Section 447.512. If the commission, with assistance from the Legislative Budget Board, determines that the implementation of an operational modification in accordance with a waiver the commission obtains as required by this subsection has resulted in a cost increase in Medicaid or the child health plan program, the commission shall take the necessary actions to reverse the operational modification.

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

Sec. 525.0206. HEALTH INFORMATION EXCHANGE SYSTEM STAGE TWO: EXPANSION. (a) In stage two of implementing the health information exchange system and based on feedback provided by interested parties, the commission may expand the system by:

- (1) providing an electronic health record for each child health plan program enrollee;
- (2) including state laboratory results information in an electronic health record, including the results of newborn screenings and tests conducted under the Texas Health Steps program, based on the system developed for the health passport under Section 266.006, Family Code;
- (3) improving electronic health record data-gathering capabilities to allow the record to include basic health and clinical information as the executive commissioner determines in addition to available claims information;
- (4) using evidence-based technology tools to create a unique health profile to alert health care providers regarding the need for additional care, education, counseling, or health management activities for specific patients; and
- (5) continuing to enhance the electronic health record created for each Medicaid recipient as technology becomes available and interoperability capabilities improve.
- (b) In expanding the health information exchange system, the commission shall collaborate with, and accept recommendations

from, physicians and other stakeholders to ensure that electronic health records provided under this section support health information exchange with electronic medical records systems physicians use in the public and private sectors.

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

Sec. 525.0207. HEALTH INFORMATION EXCHANGE SYSTEM STAGE THREE: EXPANSION. In stage three of implementing the health information exchange system, the commission may expand the system by:

- (1) developing evidence-based benchmarking tools for a health care provider to use in evaluating the provider's own performance on health care outcomes and overall quality of care as compared to aggregated peer performance data; and
- (2) expanding the system to include state agencies, additional health care providers, laboratories, diagnostic facilities, hospitals, and medical offices.

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

Sec. 525.0208. STRATEGIES TO ENCOURAGE HEALTH INFORMATION EXCHANGE SYSTEM USE. The commission shall develop strategies to encourage health care providers to use the health information exchange system, including incentives, education, and outreach tools to increase usage.

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

Sec. 525.0209. RULES. The executive commissioner may adopt rules to implement this subchapter.

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

SUBCHAPTER F. INFORMATION RESOURCES AND TECHNOLOGY

Sec. 525.0251. INFORMATION RESOURCES STRATEGIC PLANNING AND

- MANAGEMENT. (a) The commission is responsible for strategic planning for information resources at each health and human services agency and shall direct the management of information resources at each health and human services agency.
 - (b) The commission shall:
- (1) develop a coordinated strategic plan for information resources management that:
 - (A) covers a five-year period;
- (B) defines objectives for information resources management at each health and human services agency;
- (C) prioritizes information resources projects and implementation of new technology for all health and human services agencies;
- (D) integrates planning and development of each information resources system a health and human services agency uses into a coordinated information resources management planning and development system the commission establishes;
- (E) establishes standards for information resources system security and that promotes the capability of information resources systems operating with each other;
- (F) achieves economies of scale and related benefits in purchasing for health and human services information resources systems; and
- (G) is consistent with the state strategic plan for information resources developed under Chapter 2054;
- (2) establish and ensure compliance with information resources management policies, procedures, and technical standards; and
- (3) review and approve the information resources deployment review and biennial operating plan of each health and human services agency.
- (c) A health and human services agency may not submit the agency's plans to the Department of Information Resources or the Legislative Budget Board under Subchapter E, Chapter 2054, until the commission approves the plans.

- Sec. 525.0252. TECHNOLOGICAL SOLUTIONS POLICIES. (a) The commission shall develop and implement a policy requiring the agency commissioner and employees of each health and human services agency to research and propose appropriate technological solutions to improve the agency's ability to perform the agency's functions. The technological solutions must:
- (1) ensure that the public is able to easily find information about a health and human services agency on the Internet;
- (2) ensure that an individual who wants to use a health and human services agency's services is able to:
- (A) interact with the agency through the Internet; and
- (B) access any service that can be effectively provided through the Internet;
- (3) be cost-effective and developed through the commission's planning process; and
- (4) meet federal accessibility standards for individuals with disabilities.
- (b) The commission shall develop and implement the policy described by Subsection (a) in relation to the commission's functions.

- Sec. 525.0253. TECHNOLOGY USE FOR ADULT PROTECTIVE SERVICES PROGRAM. (a) Subject to available appropriations, the commission shall use technology whenever possible in connection with the Department of Family and Protective Services' adult protective services program to:
- (1) provide for automated collection of information necessary to evaluate program effectiveness using systems that integrate collection of necessary information with other routine duties of caseworkers and other service providers; and
- (2) consequently reduce the time required for caseworkers and other service providers to gather and report

information necessary for program evaluation.

(b) The commission shall include private sector representatives in the technology planning process used to determine appropriate technology for the Department of Family and Protective Services' adult protective services program.

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

- Sec. 525.0254. ELECTRONIC SIGNATURES. (a) In this section, "transaction" has the meaning assigned by Section 322.002, Business & Commerce Code.
- (b) The executive commissioner shall establish standards for the use of electronic signatures in accordance with Chapter 322, Business & Commerce Code, with respect to any transaction in connection with the administration of health and human services programs.
- (c) The executive commissioner shall adopt rules to implement the executive commissioner's authority under this section.

- Sec. 525.0255. HEALTH AND HUMAN SERVICES SYSTEM INTERNET WEBSITES. The commission shall establish a process to ensure that Internet websites across the health and human services system are developed and maintained according to standard criteria for uniformity, efficiency, and technical capabilities. Under the process, the commission shall:
- (1) develop and maintain an inventory of all health and human services system Internet websites; and
- (2) on an ongoing basis, evaluate the inventory the commission maintains under Subdivision (1) to:
- (A) determine whether any Internet websites should be consolidated to improve public access to those websites' content and, if appropriate, consolidate those websites; and
- (B) ensure that the Internet websites comply with the standard criteria.

Sec. 525.0256. AUTOMATION STANDARDS FOR DATA SHARING. The executive commissioner, with the Department of Information Resources, shall develop automation standards for computer systems to enable health and human services agencies, including agencies operating at a local level, to share pertinent data.

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

Sec. 525.0257. ELECTRONIC EXCHANGE OF HEALTH INFORMATION; BIENNIAL REPORT. (a) In this section, "health care provider" includes a physician.

- (b) The executive commissioner shall ensure that:
- (1) all information systems available for the commission or a health and human services agency to use in sending protected health information to a health care provider or receiving protected health information from a health care provider, and for which planning or procurement begins on or after September 1, 2015, are capable of sending or receiving the information in accordance with the applicable data exchange standards developed by the appropriate standards development organization accredited by the American National Standards Institute;
- (2) if national data exchange standards do not exist for a system described by Subdivision (1), the commission makes every effort to ensure that the system is interoperable with the national standards for electronic health record systems; and
- (3) the commission and each health and human services agency establish an interoperability standards plan for all information systems that exchange protected health information with health care providers.
- (c) Not later than December 1 of each even-numbered year, the executive commissioner shall report to the governor and the Legislative Budget Board on the commission's and the health and human services agencies' measurable progress in ensuring that the information systems described by Subsection (b) are interoperable

with one another and meet the appropriate standards specified by that subsection. The report must include an assessment of the progress made in achieving commission goals related to the exchange of health information, including facilitating care coordination among the agencies, ensuring quality improvement, and realizing cost savings.

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

SUBCHAPTER G. STUDIES, REPORTS, AND PUBLICATIONS

- Sec. 525.0301. BIENNIAL REFERENCE GUIDE. (a) The commission shall:
- (1) publish a biennial reference guide describing available public health and human services in this state; and
- (2) make the guide available to all interested parties and agencies.
- (b) The reference guide must include a dictionary of uniform terms and services.

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

- Sec. 525.0302. CONSOLIDATION OF REPORTS. The commission may consolidate any annual or biennial reports required to be made under this chapter or another law if:
- (1) the consolidated report is submitted not later than the earliest deadline for the submission of any component of the report; and
- (2) each person required to receive a component of the consolidated report receives the report, and the report identifies the component the person was required to receive.

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

Sec. 525.0303. ANNUAL REPORT ON SAFEGUARDING PROTECTED HEALTH INFORMATION. (a) The commission, in consultation with the Department of State Health Services, the Texas Medical Board, and

the Texas Department of Insurance, shall explore and evaluate new developments in safeguarding protected health information.

- (b) Not later than December 1 of each year, the commission shall report to the legislature on:
- (1) new developments in safeguarding protected health information; and
- $\begin{tabular}{lll} (2) & recommendations & for & implementing & safeguards \\ & within the commission. \\ \end{tabular}$