



Health and Human Services Executive Council November 20, 2025

This summary contains supplemental information from reliable sources where that information provides clarity to the issues being discussed. Power Point tables used in the presentations may also be used in this summary. Names of individuals may be misspelled but every attempt has been made to ensure accuracy. Tables and Text have been used from executive and legislative agencies and departments' presentations and publications.





1. Welcome and opening remarks (Call to order, roll call, Explanation of proceedings using Microsoft Teams meeting,

No public comment was offered during the meeting

Executive commissioner's welcome and remarks, HHSC submitted the Rural Health Transformation Program application to CMS, aiming to improve rural healthcare and empower rural Texans; funding decisions expected by year-end.

The agency entered the next phase of the Sunset Advisory Commission review, with a report expected by October 2026.

Leadership updates included welcoming David Costarin back as Deputy Executive Commissioner of Regulatory Services, CIO Sylvia Koffman's appointment to the Governor's AI Advisory Board, and Emily Zolkowski's election to the National Association Medicaid Directors Board.

Chief officers' remarks, No comment

Department of State Health Services commissioner's remarks. DSHS has been active in bill implementation and Sunset Review. They are addressing pertussis outbreak across Texas.

[Health Alert: Increase in Pertussis Cases in Texas | Texas DSHS](#)

The Texas Department of State Health Services (DSHS) is reporting a significant increase in cases of pertussis, or whooping cough, in 2025. According to provisional data, Texas has had more than 3,500 reported pertussis cases through October this year, roughly four times the number reported for the same period last year. This is the second consecutive year that Texas is experiencing high year-over-year increases in reported pertussis cases and the second consecutive year DSHS has issued a health alert (see [Increase in Pertussis Cases, Nov. 12, 2024](#)).

The best way to protect against pertussis is immunization. Parents should ensure children are up-to-date on pertussis immunizations, and pregnant women and others who will be around newborns should get a booster dose to protect babies from what can be a deadly infection. Clinicians should consider pertussis in people with compatible symptoms and report all suspected cases to the local health department within one workday.

Infant botulism ([Infant Botulism Outbreak Linked to Infant Formula, November 2025 | Botulism | CDC](#)) is also being addressed related to Byheart products [Botulism | Texas DSHS](#)

Department of Family and Protective Services commissioner's remarks. They are into Sunset Review process. They have been addressing kinship care licensing standards. They have a 43% kinship placement which exceeds the national average. They are also working on an educational campaign for kinship care.

They have also been working on the needs of High Acuity Youth with placement availability at a new state hospital. The numbers of youth without placement are between 18-21 per night.

DFPS - Kinship Care

What Is Kinship Care?

For generations, extended families have played significant roles in rearing children when parents are having a difficult time. This is called Kinship Care by Child Protective Services (CPS). Relatives and other people who the child or family have a significant relationship can often provide children with stability when they can't live with their birth parents.

How Does a Child Come into Kinship Care?

When children have been abused or neglected, DFPS may remove them from their homes to ensure their immediate safety. The courts are required to consider a temporary placement with a relative and ask the parents to tell DFPS how to contact relatives who may be able to care for their children at least temporarily.

When placing children, the court considers their needs as most important. Often a Family Group Decision Making (FGDM) conference is held and everyone involved recommends a particular family member, or friend is the best place for the child. The placement may be court ordered, usually after DFPS completes a home assessment to make sure it's safe and appropriate for the child. CPS also takes the parents' desires into account whenever possible. If placement with a kin caregiver not available or appropriate, the child may be placed in foster care.

Benefits of Kinship Care

- Provides love and care in a familiar setting;
- Provides parents with a sense of hope that children will remain connected to their birth families;
- Enables children to live with people they know and trust;
- Reinforces a child's sense of cultural identity and positive self-esteem;
- Helps a child make and sustain extended family connections;
- Continues lifelong family traditions and memories;
- Supports the child in building healthy relationships within the family;
- Supports the child's need for safety and well-being; and
- Creates a sense of stability in the life of a child.

Inspector general's quarterly report. [fy2025_q4_oig_quarterly_report.pdf \(SECURED\)](#).

The OIG reported \$465 million in recoveries last fiscal year; \$60 million so far this year. Surveillance and utilization review teams were highlighted for their contributions, including clinical record reviews and significant financial recoveries across acute care, nursing facility, and hospital claims. More detail can be found in the quarterly report link above. Next quarterly report will be published in December.

2. Rule proposals* (Agency Rulemaking can be found

at <https://www.hhs.texas.gov/regulations/policies-rules/health-human-services-rulemaking/comment-proposed-draft-rules>.)

Administrative Procedure Act (APA) public comment period has closed. None**Submitted to the *Texas Register* – APA public comment period has not closed**

24R089 The Texas Health and Human Services Commission proposes the repeal of §321.1, concerning Purpose; §321.3, concerning Application; §321.5, concerning Definitions; and §321.7, concerning Program Description, and new §321.1, concerning Purpose; §321.3, concerning Application; §321.5, concerning Definitions; §321.7, concerning General Program Requirements; §321.9, concerning Program Staffing; and §321.11, concerning Program Service Delivery for Substance Use



Prevention <https://www.sos.texas.gov/texreg/archive/October312025/Proposed%20Rules/26.HEALTH%20AND%20HUMAN%20SERVICES.html#15>

Background and Purpose. The purpose of the proposal is to replace the current rules in Title 26, Texas Administrative Code Chapter 321, Subchapter A relating to Substance Use Prevention, with new rules that clarify provider requirements related to training, staffing, written policies and procedures, screening tools, and other requirements that inform substance use prevention service delivery.

Fiscal and Program Impact. HHSC has determined that for each year of the first five years that the rules will be in effect, enforcing or administering the rules does not have foreseeable implications relating to costs or revenues of state or local governments.

HHSC has determined that during the first five years that the rules will be in effect:

- (1) the proposed rules will not create or eliminate a government program;
- (2) implementation of the proposed rules will not affect the number of HHSC employee positions;
- (3) implementation of the proposed rules will result in no assumed change in future legislative appropriations;
- (4) the proposed rules will not affect fees paid to HHSC;
- (5) the proposed rules will create new regulations;
- (6) the proposed rules will repeal existing regulations;
- (7) the proposed rules will not change the number of individuals subject to the rules; and
- (8) the proposed rules will not affect the state's economy.

Adoption. Earliest possible date of adoption: November 30, 2025

25R053 The Texas Health and Human Services Commission proposes new §351.851, concerning Interested Parties Advisory Group <https://www.sos.texas.gov/texreg/archive/October312025/Proposed Rules/1.ADMINISTRATION.html#7>

Background and Purpose. The purpose of the proposal is to comply with 42 Code of Federal Regulations (42 CFR) §447.203(b)(6), which requires HHSC to "establish an advisory group for interested parties to advise and consult on provider rates with respect to service categories under the Medicaid State Plan, 1915(c) waiver, and



demonstration programs, as applicable, where payments are made to direct care workers specified in §441.311(e)(1)(ii) for the self-directed or agency-directed services found at §440.180(b)(2) through (4), and (6)."

New §351.851 establishes the Interested Parties Advisory Group (IPAG) to advise and consult with HHSC on current and proposed payment rates, Home and Community Based Services (HCBS) payment adequacy data as required by 42 CFR §441.311(e), and access to care metrics described in 42 CFR §441.311(d)(2), associated with services found in 42 CFR §440.180(b)(2) through (4), and (6).

The IPAG is intended to advise the executive commissioner and HHSC on certain current and proposed Medicaid provider payment rates to ensure the relevant Medicaid payment rates are sufficient to ensure Medicaid beneficiaries access to personal care, home health aide, homemaker, and habilitation services.

Fiscal and Program Impact. HHSC has determined that for each year of the first five years that the rule will be in effect, enforcing or administering the rules does not have foreseeable implications relating to costs or revenues of state or local governments.

HHSC has determined that during the first five years that the rule will be in effect:

- (1) the proposed rule will not create or eliminate a government program;
- (2) implementation of the proposed rule will not affect the number of HHSC employee positions;
- (3) implementation of the proposed rule will result in no assumed change in future legislative appropriations;
- (4) the proposed rule will not affect fees paid to HHSC;
- (5) the proposed rule will not create a new regulation;
- (6) the proposed rule will not expand, limit, or repeal existing regulation;
- (7) the proposed rule will not change the number of individuals subject to the rule; and
- (8) the proposed rule will not affect the state's economy.

Adoption. Earliest possible date of adoption: November 30, 2025

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

None



3. Advisory committee recommendations

Long-Term Care Facilities Council. Senate Bill 1519 (S.B. 1519), 86th Legislature, Regular Session, 2019, established the Long-Term Care Facilities Council (LTCFC) as a permanent advisory council to the Texas Health and Human Services Commission (HHSC) to study and make recommendations for nursing facilities (NFs), assisted living facilities (ALFs), and intermediate care facilities for individuals with an intellectual disability or related condition (ICF-IIDs) regarding:

1. A consistent survey and informal dispute resolution (IDR) process with regard to best practices and protocols to make the survey, inspection, and IDR processes more efficient and less burdensome, as well as to recommend uniform standards for those processes;
2. Medicaid quality-based payment systems with regards to the systems and a rate setting methodology; and
3. The allocation of and need for Medicaid beds with regards to the effectiveness of rules adopted by the HHSC executive commissioner relating to the procedures for certifying and decertifying Medicaid beds and the need for modifications to those rules to better control the procedures for certifying and decertifying Medicaid beds.

The executive commissioner of HHSC appointed regulatory staff, IDR staff, and long-term care providers to the council. A key council objective is to submit a report by January 1, 2025, outlining its recommendations to the executive commissioner, the governor, the lieutenant governor, the speaker of the House of Representatives, and the chairs of the relevant legislative committees.

The council has met eight times since our 2023 report and has established four subcommittees to further study and develop individual recommendations for legislative action. The subcommittees are: Licensing, Regulatory, Reimbursement, Intellectual Developmental Disability and Intermediate Care Facilities. The subcommittees also met via conference call as needed to discuss preliminary recommendations. Public comment was accepted at the outset of each scheduled meeting, and written comment was accepted on an ongoing basis.



The council requested information from HHSC as part of its information gathering and discovery phase. The council asked agency representatives numerous questions about processes and regulations and used this information to form preliminary recommendations within the scope of S.B. 1519.

Recommendations for Legislative Action

A. Medicaid should reimburse the Medicare copayment for residents approved under Long Term Care Medicaid, expanding coverage beyond just the Medicaid QMB program to ensure equitable access to services for dual-eligible residents and reduce financial burdens on long-term care facilities.

B. Nursing facility providers should be fully funded for care provided to Medicaid residents based on median costs. The base Medicaid reimbursement rate in Texas currently ranks second lowest in the country. The expense of a Medicaid nursing home resident is approximately \$115.74 per day more than the average reimbursement rate based on the allowable cost in 1 TAC §355.307 Reimbursement Setting Methodology (Source: NF Cost Report data inflated to 2026-2027 biennium).

C. Although the requirement for HHSC to set Medicaid rates under the managed care program was removed from Chapter 533 of the Texas Government Code effective September 1, 2021, HHSC continues to set rates, collect cost reports, and work towards PDPM LTC reimbursement. Statutory regulations should be reinstated to ensure that “the commission is responsible for setting the minimum reimbursement rate paid to nursing facilities under the managed care program.”

D. HHSC has contracted with MPRO to perform IDR reviews for nursing facilities, assisted living facilities, intermediate care facilities, and Home and Community based Service and Texas Home Living waiver providers. According to HHSC data, the majority of the immediate jeopardy citations that were recommended by MPRO to be modified or reversed were not accepted by HHSC, with HHSC relying on authority from interpretation of CMS guidance rather than Texas legislative authorization. Language should be added to §531.058 that provides an IDR decision favorable to a long-term care facility is binding on HHSC.



E. Texas Health & Safety Code §242.070 (the “double-dipping statute”) should be modified to prevent HHSC from imposing an administrative penalty where the CMS has already assessed a fine or required a fine to be levied against a nursing home for the same act or failure to act.

Recommendations to HHSC

The following recommendations were agreed upon by the council during deliberations.

F. HHSC should adopt rates for nursing facilities with proportional adjustments to all rate components, including but not limited to direct care, dietary, general & administrative, and fixed capital components of Medicaid reimbursement. These adjustments should occur biennially, utilizing the most recent annual cost report data to maintain fairness and adequacy in funding.

G. In line with the current rule’s intent, HHSC should clarify that a change of ownership between Non-State Government-Owned entities will not automatically result in the exclusion of the facility from the Quality Incentive Payment Program during the current year, provided all other qualifications are met.

H. HHSC should seek a waiver from CMS to allow Qualified Nursing Facilities to make presumptive Medicaid eligibility determinations for elderly and disabled residents while their applications are being processed. This process, already allowed for Qualified Hospitals, would increase access for Texans pending Medicaid approval who are qualifying for nursing home stays, and would require HHSC to establish criteria for nursing facilities to apply for this designation.

I. HHSC should adopt rates for ICF/HCS facilities to recognize the increased cost of staffing in HCS care environments. The increased costs with inflation for items such as groceries and transportation are unsustainable. Current staffing rates as low as \$10.60 per hour are unsustainable. This has resulted in high turnover, creating instability in care, straining already limited resources and appears to be the cause for closure of multiple homes throughout the state. HHSC should consider parity with staffing rates provided to State Supported Living Centers.

J. HHSC should adopt rates to recognize the increased costs of care provided to residents in nursing facilities with behavioral support needs related to IDD/Autism.



These costs of care are often not appropriately reflected in MDS data. This discrepancy could leave persons with IDD or Autism limited choices in places for care due to the unreimbursed costs of care for providers.

K. HHSC should provide and encourage additional opportunities for training for front line staff for any long-term care providers offering care to persons with IDD. Currently there are limited training opportunities for DSP's, CNA's or nurses caring for persons with IDD.

L. HHSC should implement a uniform timeline/time frame for complaint investigations to ensure complaint surveys are completed in a timely manner and the welfare of the residents addressed promptly.

M. HHSC should implement a system where the Informal Dispute Resolution results and data will be published to the providers and the public on at least a quarterly basis, including a link to the data on the HHSC website.

N. Certified Nursing Assistant (CNA) skills tests should be offered in Spanish in addition to English to address workforce shortages, promote equity, and enhance care quality in the long-term care industry. Texas has a significant Spanish-speaking population, and many potential CNAs face unnecessary barriers when tests are only available in English. Expanding access to Spanish speakers allows the state to tap into a larger, diverse talent pool while improving culturally and linguistically appropriate care for Spanish-speaking residents and caregivers.

4. Recent Rule Adoptions - Information item not for discussion

Adoptions submitted to the *Texas Register* that are not yet effective

None

Adoptions that are effective

24R047 Kinship Specific Verifications, Published 10/31/25, Effective 11/6/25

<https://www.sos.texas.gov/texreg/archive/October312025/Adopted%20Rules/26.HEALTH%20AND%20HUMAN%20SERVICES.html#35>



<https://www.sos.texas.gov/texreg/archive/October312025/Adopted%20Rules/26.HEALTH%20AND%20HUMAN%20SERVICES.html#37>

25R011 Workplace Violence Against Nurses Prevention (WPVANP) Grant Program,
Published 11/7/25, Effective 11/10/25

25R012 Mental Health Programs Rules, Published 11/7/25, Effective 11/10/25

25R019 Licensure of Tanning Facilities, Published 11/7/25, Effective 11/10/25
Adjourn

5. Adjourn. There being no further business, the meeting was adjourned.

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