



# Health and Human Services Executive Council

## February 12, 2026

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*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.*

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**1. Welcome and opening remarks. Call to order, roll call, Explanation of proceedings using Microsoft Teams meeting, Executive commissioner's welcome and remarks; Chief officers' remarks; Department of State Health Services commissioner's remarks; Department of Family and Protective Services commissioner's remarks; Inspector general's quarterly report.**

The meeting was convened by the Executive Commissioner, Stephanie Muth. The Sunset Review is a focus for the staff.

**HHSC Update**

Rural Texas Strong funding has been received. A revised budget proposal has been submitted to CMS. There is a public website that provides updates on the funds.

SNAP payment error rate was discussed. There is a change due to the federal legislation.

- Federal changes require states exceeding a 6% payment error rate (by 2026) to share costs, with Texas risk exposure up to \$1B if not compliant.
- HHSC launched "Under 6 in 26" initiative: increased employee training, aligned quality guidelines, made system changes, and improved client communications to reduce errors.
- Aim is to keep the error rate under 6% by September 2026.

Regulatory reform was also reported. All TAC requirements are under review. with the goal of reducing administrative and financial burdens while safeguarding core health/safety standards. Kinship caregiver rules were reformed: eliminating 195 rules and over 1,000 requirements and reducing 160 more. Similar efforts underway for non-relative foster parent rules, assisted living, and other provider types, with active stakeholder engagement.

Medicaid Provider Enrollment and Management System (PEAMS) update was presented. There have been challenges in the revalidation system. Legislative funding has been provided to address the improvements. The system is being revised.

- Research on problems
- Process by process redesign
- Building and testing changes



- New and improved PEMS in 2027.

TMHP has increased staffing to process application faster and other improvements. Stakeholders have been engaged throughout the process. Flexibility has been given to providers for re-validation to prevent access issues.

**DSHS provided an update.**

- Implementation of legislation addressing syphilis in pregnancy
- Capitol Authority to expand laboratory services (Lab space)
- New world Screw Worm preparation is being addressed through a response team. A disaster proclamation has been issued by the Governor.

**DFPS provided an update.** Public awareness campaigns

- Baby Moses hotline (Rider 44)
- Kinship Campaign (rider 40).

[Baby Moses or Safe Haven Law](#) If you have a newborn that you're unable to care for, you can bring your baby to a designated safe place with no questions asked. The Safe Haven law, also known as the Baby Moses law, gives parents who are unable to care for their child a safe and legal choice to leave their infant with an employee at a designated safe place—a hospital, fire station, free-standing emergency centers or emergency medical services (EMS) station. Then, your baby will receive medical care and be placed with an emergency provider.

Information for Parents

If you're thinking about bringing your baby to a designated Safe Haven, please read the information below:

- Your baby *must* be 60 days old or younger and unharmed and safe.
- You may take your baby to *any* hospital, fire station, emergency medical services (EMS) station in Texas, or placed in a newborn safety device located inside the designated emergency infant care (DEIC) provider facility.
- You need to give your baby to an employee who works at one of these safe places and tell this person that you want to leave your baby at a Safe Haven.
- You may be asked by an employee for family or medical history to make sure that your baby receives the care they need.

If you leave your baby at a fire or EMS station, your baby may be taken to a hospital to receive any medical attention they need. Remember, if you leave your unharmed infant at a Safe Haven, you will not be prosecuted for abandonment or neglect.

For more information, go to the [BabyMosesHotline.com](#)[External Link](#) or call the Texas Baby Moses Hotline at (800) 392-3352.



**OIG presented their quarterly Report.** There has been ongoing work on fraud, waste, and abuse prevention; \$112M in recoveries have been realized as of January, and recent enforcement actions have taken against providers for violations. There was an emphasis on the need for providers to regularly check the exclusion database.

The OIG released its first [quarterly report](#) for the new fiscal year, detailing program activities conducted from September 2025 through November 2025. The report summarizes agency metrics, initiatives and notable cases.

This quarter, the office reported recovering more than \$85.7 million, with \$79.7 million resulting from provider integrity initiatives and an additional \$5.9 million from beneficiary investigations.

Among notable cases this quarter, the agency secured a \$2.5 million settlement with a hospital for improper billing, uncovered SNAP benefit trafficking at a hotel, and reported multiple criminal convictions for benefits theft and injury to clients at state supported living centers.

The OIG publishes quarterly reports each September, December, March and June. You can read previous reports [here](#).

**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‡**

[26R030 The Texas Health and Human Services Commission proposes amendments to rules in Texas Administrative Code, Title 1, Part 15, Chapter 355, Subchapter J, Purchased Health Services, §355.8443, concerning Reimbursement Methodology](#)



**for School Health and Related Services, and §355.8600, concerning Reimbursement Methodology for Ambulance Services.**

**Background and Purpose.** The rule updates change when reports are due and affects how upcoming reports are submitted. These amendments give ambulance and SHARS providers more time to file their reports, make the process easier, and use more modern methods for reporting.

The Texas Health and Human Services Commission proposes amendments to 1 Texas Administrative Code (TAC) Sections 355.8443, concerning Reimbursement Methodology for School Health and Related Services (SHARS), and 355.8600, concerning Reimbursement Methodology for Ambulance Services. The implementation of the new cost report system is impacting due dates and the upcoming cost report submissions. These amendments provide flexibility for the reporting window, reduce administrative burden, and modernize methods related to the cost report process.

**Fiscal and Service Impact.** None

**Rule Development Schedule**

February 12, 2026	Present to HHSC Executive Council
February 13, 2026	Publish proposed rules in Texas Register
April 2026	Publish adopted rules in Texas Register
April 2026	Effective date

**Public comment.**

**Carlin Keller, representing herself** commented on the predictability and communication. Clear guardrails should be developed given the flexibility now found in the rule. Minimum notice requirements would be helpful. Signature requirements should be clarified in the rule.

**25R029 The Texas Health and Human Services Commission proposes the repeal of rules in Texas Administrative Code, Title 26, Part 1, Chapter 749, Minimum Standards for Child-Placing Agencies, Subchapters F – O and proposes new Chapter 749, Minimum Standards for Child-Placing Agencies, Subchapters F – O.**



HHSC is changing the rules to streamline, clarify, remove outdated requirements, and ensure the rules are compliant with state and federal laws, rules, and guidelines. The rule changes also include language that prohibits HHSC or a child placing agency from requiring foster homes to disclose the specific types of firearms present in the foster home or notifying the child-placing agency if there is any change in the types of firearms present in the foster home. The public will benefit from the rule changes through regulatory requirements that reflect current research, best practices, and guidelines in the areas of child-safety, health, and well-being; elimination of requirements that are outdated, redundant, or unnecessarily burdensome; and increase protections for foster home confidentiality related to firearms.

HHSC is repealing all rules in Title 26, Chapter 749, Minimum Standards for Child-placing Agencies, Subchapters F - O and proposing new rules in Chapter 749, Subchapters F - O.

The proposal is necessary to comply with Texas Human Resources Code (HRC) §42.042(b); implement a Health and Human Services Commission (HHSC) initiative for reasonable regulatory reform stemming from HRC §42.027, created by Senate Bill (SB) 593, 88th Legislature, Regular Session, 2023; and implement House Bill (HB) 1403, 89th Legislature, Regular Session, 2025. HRC §42.042(b) requires HHSC Child Care Regulation (CCR) to conduct a comprehensive review of minimum standards at least once every six years. SB 593 requires HHSC to contract with an independent entity to assess HHSC rules, minimum standards, Texas Department of Family and Protective Service contract requirements, and standards or oversight requirements prescribed by law.

The purpose of the comprehensive review is to (1) identify any minimum standards that need clarification; (2) identify any minimum standards that may not have the intended outcome; and (3) ensure that minimum standards are consistent with current research, best practices, and other guidelines. This is also the purpose of reasonable regulatory reform; however, reasonable regulatory reform also identifies 1 opportunities to eliminate requirements that are outdated, redundant, or unnecessarily burdensome to providers and HHSC staff, while streamlining and improving requirements that are necessary to protect the health, safety, and wellbeing of children in foster care.

The purpose of HB 1403 is to ensure the confidentiality of foster homes related to firearms. HB 1403 prohibits HHSC or a child-placing agency (CPA) from requiring a foster home to (1) disclose the specific types of firearms that are present in the home; or (2) notify the CPA if there is any change in the types of firearms present in the home.



Additionally, the rules have been written in plain language to improve understanding and effectiveness of the rules.

**Fiscal and Service Impact.** The repeals and new rules will benefit the public through (1) regulatory requirements that reflect current research, best practices, and guidelines in the areas of child-safety, health, and well-being; (2) elimination of requirements that are outdated, redundant, or unnecessarily burdensome; (3) streamlined and improved requirements that are necessary to protect the health, safety, and wellbeing of children; and (4) rules that comply with state law.

### **Rule Development Schedule**

February 12, 2026	Present to HHSC Executive Council
February 13, 2026	Publish proposed rules in Texas Register
July 2026	Publish adopted rules in Texas Register
July 2026	Effective date

**Public Comment.** No public comment

[25R051 The Texas Health and Human Services Commission, on behalf of the Texas Department of State Health Services, proposes new Chapter 226, concerning Mobile Food Vendors, in Texas Administrative Code, Title 25, Part 1, including §226.1, concerning Purpose, Local Preemption, and Applicability; §226.2, concerning Definitions; §226.3, concerning Management and Personnel; §226.4, concerning Mobile Food Vendor Licensing; §226.6, concerning Mobile Food Vendor Requirements; and §226.8, concerning Mobile Food Vendor Inspections.](#)

**Background and Purpose.** The new rules create a statewide licensing and inspection structure for Mobile Food Vendors (MFVs), including application and inspection fees. The rules also preempt the ability of local authorities to regulate MFVs in a way that conflicts with Texas Health and Safety Code Chapter 437B and the new rules themselves. The rules also establish requirements for the safe operation of food vending vehicles and require MFVs to comply with referenced food safety statutes and rules.



The purpose of the proposal is to implement House Bill (HB) 2844, 89th Legislature, Regular Session, 2025, which created Texas Health and Safety Code (HSC) Chapter 437B, concerning Mobile Food Vendors. HB 2844 made significant changes to how MFVs are regulated, licensed, and inspected in Texas. The statute tasks the Department of State Health Services (DSHS) with implementation of a statewide licensing and inspection program for MFVs, whereas local authorities conducted most of this activity in the past.

HB 2844 required creation of a contract structure by which Local Health Departments (LHDs) may conduct MFV inspections within their jurisdictions and be reimbursed by DSHS, as included in the new rule set.

### **Fiscal and Service Impact.**

	<b>Estimated Increase in Costs</b>	<b>SFY 2026</b>	<b>SFY 2027</b>	<b>SFY 2028</b>	<b>SFY 2029</b>	<b>SFY 2030</b>
State	\$3,996,653.50	\$6,814,085	\$6,814,085	\$6,814,085	\$6,814,085	\$6,814,085
Federal						
Other						
<b>Total:</b>	<b>\$3,996,653.50</b>	<b>\$6,814,085</b>	<b>\$6,814,085</b>	<b>\$6,814,085</b>	<b>\$6,814,085</b>	<b>\$6,814,085</b>
	<b>Estimated Increase in Revenue</b>	<b>State Fiscal Year 1</b>	<b>State Fiscal Year 2</b>	<b>State Fiscal Year 3</b>	<b>State Fiscal Year 4</b>	<b>State Fiscal Year 5</b>
State	\$1,764,090	\$17,829,000	\$17,829,000	\$17,829,000	\$17,829,000	\$17,829,000
Federal						
Other						
<b>Total:</b>	<b>\$1,764,090</b>	<b>\$17,829,000</b>	<b>\$17,829,000</b>	<b>\$17,829,000</b>	<b>\$17,829,000</b>	<b>\$17,829,000</b>

The legislative intent of HB 2844 (new HSC 437B) is to streamline licensing and inspection for MFVs that travel across multiple jurisdictional lines and were previously required to obtain multiple local permits every year in order to operate. Such small businesses will benefit from the new requirement for a single, statewide MFV license. Some MFVs that do not travel outside their immediate area, however, may find the cost of the statewide license is higher than the cost of their previous permit with the local authority. Additionally, the statute and rules provide for continued inspection and enforcement to ensure MFVs are serving safe food products to Texas consumers.

### **Rule Development Schedule**

February 12, 2026	Present to HHSC Executive Council
February 20, 2026	Publish proposed rules in Texas Register



May 2026	Publish adopted rules in Texas Register
May 2026	Effective date

**Public Comment.** No public comment

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

None

**3. Advisory committee recommendations** *Follow the links for the report and recommendation from each advisory committee*

**Behavioral Health** The Behavioral Health Advisory Committee (BHAC) presented by Mark Carmona. Recommendations included:

- Establish a statutory definition and sustainable payment models for Peer and Recovery Organizations (PROs).
- Develop training to clarify statutory collaboration obligations among LMHAs, LBHAs, and LIDDAAs for individuals with IDD and mental health conditions.
- Improve HHSC report archiving and tracking of recommendations.

**Public Comment**

**Jordan Smalley, Representing himself** commented on recommendation 3 and the concern is people are continuing to receive parallel service plans that are not integrated, even within the same agency. Joint person centered planning is supposed to be occurring. There is a structural barrier facing subcommittees regarding quorum requirements.

**Sickle Cell Task Force**. The Sickle Cell Task Force recommendations were presented by Dr. Titilope Fasipe, and included:

- Update Medicaid MCO contracts to specifically include sickle cell disease as a special health care need (confirmed as implemented effective March 1).
- Evaluate extending Medicaid/CHIP eligibility for sickle cell patients through age 26.
- Study comprehensive care models, develop disease-specific quality metrics and care plans, improve provider education and awareness campaigns, and expand data collection and reporting initiatives.



DSHS was recognized for existing collaboration on awareness that the task force hopes to expand with additional resources.

#### **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**

**25R049** Family Violence Program Rule Repeal, Published 01/23/26, Effective 01/29/26  
<https://www.sos.texas.gov/texreg/archive/January232026/Adopted%20Rules/26.HEALTH%20AND%20HUMAN%20SERVICES.html#54>

**25R033** Youth Camps Safety and Health and Youth Camp Advisory Committee, Published 01/30/26, Effective 02/02/26  
<https://www.sos.texas.gov/texreg/archive/January302026/Adopted%20Rules/25.HEALTH%20SERVICES.html#67>  
<https://www.sos.texas.gov/texreg/archive/January302026/Adopted%20Rules/25.HEALTH%20SERVICES.html#69>  
<https://www.sos.texas.gov/texreg/archive/January302026/Adopted%20Rules/25.HEALTH%20SERVICES.html#71>

**26R033** Youth Camps Safety-Floodplains and Floodways, Published 01/30/26, Effective 02/02/26  
<https://www.sos.texas.gov/texreg/archive/January302026/Adopted%20Rules/25.HEALTH%20SERVICES.html#72>

**26R034** Youth Camps Safety-Fiber Broadband, Published 01/30/26, Effective 02/02/26  
<https://www.sos.texas.gov/texreg/archive/January302026/Adopted%20Rules/25.HEALTH%20SERVICES.html#73>

**25R010** Vision, Hearing, and Spinal Screening Rules Revision, Published 02/06/26, Effective 02/09/26

**24R021** Individualized Skills and Socialization Licensure Rules, Published 02/06/26, Effective 02/09/26



**24R042** SNAP Vehicle Asset Test, Published 02/06/26, Effective 02/12/26

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

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