



**DEPARTMENT OF CRIMINAL JUSTICE**  
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MRIS consideration to the Board of Pardons and Paroles, or sentencing judges, in accordance with Government Code, Section 508.146. Such referrals may be made in the absence of other medical or mental health conditions.

- 39. Unexpended Balance Authority for Special Needs Programs and Services.** Any unexpended balances as of August 31, 2026, for the Texas Department of Criminal Justice in appropriations made above in Strategy B.1.1, Special Needs Programs and Services, are appropriated to the department for the fiscal year beginning September 1, 2026, for the same purpose.
- 40. Monitoring of Community Supervision Diversion Funds.** From funds appropriated above, the Texas Department of Criminal Justice (TDCJ) shall maintain a specific accountability system for tracking community supervision funds targeted at making a positive impact on the criminal justice system.

In addition to continuing the recommendations made by the State Auditor's Office in the September 2012 report (Report No. 13-004) to the Texas Department of Criminal Justice regarding the monitoring of community supervision and corrections departments (CSCDs) to ensure that Diversion Program grant funds have been spent as intended, the agency shall implement a monitoring system so that the use of funds appropriated in Strategies A.1.2, A.1.3, and A.1.4, can be specifically identified.

The agency shall produce, on an annual basis, detailed monitoring, tracking, utilization, and effectiveness information on the above mentioned funds. This information shall include information on the impact of any new initiatives. Examples include number of offenders served, number of residential beds funded, number of community supervision officers hired, and caseload sizes. The agency shall provide documentation regarding the methodology used to distribute the funds. In addition to any other requests for information, the agency shall report the above information for the previous fiscal year to the Legislative Budget Board and the Governor's Office by December 31st of each year.

- 41. Withholding of Funds.** The Texas Department of Criminal Justice (TDCJ) may withhold the distribution of funds allocated in Goal A, Provide Prison Diversions, to community supervision and corrections departments (CSCDs) that fail to comply with TDCJ data reporting requirements that include, but are not limited to, data required for the Community Supervision Tracking System, Quarterly Financial Reports, Monthly Community Supervision and Corrections Reports, Caseload Reports, Program Output reports and other data required by TDCJ for accountability purposes.
- 42. Correctional Managed Health Care.** The use of appropriated funds to the Texas Department of Criminal Justice for managed health care (CMHC) for inmates in custody shall be governed by the specific limitations included in this rider.
- a. Managed Health Care Staff Loan Repayment
    - 1. None of the funds appropriated above shall be used for loan repayment assistance for medical and mental health care staff without prior approval of the Legislative Budget Board.
  - b. Correctional Managed Health Care Committee
    - 1. None of the funds appropriated above shall be used for payment of salaries, operating expenses, or travel expenses for staff of the Correctional Managed Health Care Committee.
    - 2. From funds appropriated above, the Texas Department of Criminal Justice may provide reimbursement of travel expenses incurred by the members of the Correctional Managed Health Care Committee with prior the prior written notification to the Legislative Budget Board 30 calendar days before the date of reimbursement. The Legislative Budget Board may disapprove the reimbursement during the 30 day period.
  - c. Strategy C.1.8, Managed Health Care - Unit and Psychiatric Care
    - 1. Together with the Texas Tech University Health Sciences Center and the University of Texas Medical Branch, the Texas Department of Criminal Justice shall approve a staffing model and services by unit that conform to the available annual appropriation in Strategy C.1.8, Managed Health Care - Unit and Psychiatric Care, before the beginning of each fiscal year.

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2. The Texas Tech University Health Sciences Center and the University of Texas Medical Branch, shall provide unit medical and psychiatric care based on the jointly developed staffing model and services approved by the Texas Department of Criminal Justice.
  3. To the extent possible, the Texas Department of Criminal Justice shall maintain at least one Correctional Officer or other staff that is a licensed health care professional on duty per unit at all times.
  4. Receipts from inmate health care fees collected from inmates in accordance with Government Code, Section 501.063, are appropriated above in Strategy C.1.8, Managed Health Care - Unit and Psychiatric Care, estimated to be \$2,000,000 from the General Revenue Fund in fiscal year 2026 and estimated to be \$2,000,000 from the General Revenue Fund in fiscal year 2027. Any receipts collected in excess of \$2,000,000 in fiscal year 2026 and \$2,000,000 in fiscal year 2027 are appropriated to the department to pay the cost of correctional health care.
- d. Strategy C.1.9, Managed Health Care - Hospital and Clinical Care
1. The University of Texas Medical Branch shall provide inpatient and outpatient hospital services and physician services at the University of Texas Medical Branch Hospital Galveston for inmates in the custody of the Texas Department of Criminal Justice. Inpatient services shall be reimbursed at an amount no greater than would be produced using UTMB's Medicare standard dollar amount (SDA) with an add-on of \$2,496 and the appropriate relative weight. The add-on is intended to continue funding for graduate residency slots. Hospital outpatient services and physician services shall be reimbursed at a rate not to exceed cost.
  2. The Texas Tech University Health Sciences Center, the University of Texas Medical Branch, and any other contracted CMHC health care providers shall provide inpatient and outpatient hospital services through contract hospital providers for inmates in the custody of the Texas Department of Criminal Justice at a rate not to exceed 100 percent of what would be paid for similar services according to the Medicare reimbursement methodology. The Texas Department of Criminal Justice may pay a rate in excess of Medicare reimbursement rates only after receiving prior written approval from the Legislative Budget Board.
  3. The Texas Department of Criminal Justice may provide for a medical review of the appropriateness of non-emergency medical procedures provided by the University of Texas Medical Branch Hospital Galveston.
  4. It is the intent of the legislature that any inpatient hospital costs that exceed UTMB's Medicare SDA with an add-on of \$2,496 and the appropriate relative weight will not be reimbursed by the state.
  5. When requesting the approval of the Legislative Budget Board (LBB) to pay a rate in excess of Medicare reimbursement rates as described in subsection (d)(2) above, the Texas Department of Criminal Justice shall submit in a timely manner the request along with adequate information for evaluating the request. Any additional information requested by the LBB must be submitted promptly and in a manner prescribed by the LBB. The request shall be considered approved unless the LBB issues a written disapproval within 30 business days after the date LBB staff concludes its review of the request and forwards the review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information by the LBB interrupts the counting of the 30 business days.
- e. Transferability
1. Notwithstanding Rider 12 of this Article and Article IX, Sec. 14.01, the Texas Department of Criminal Justice shall not transfer any appropriations between Strategies C.1.8, Managed Health Care - Unit and Psychiatric Care; C.1.9, Managed Health Care - Hospital and Clinical Care, and C.1.10, Managed Health Care - Pharmacy, without prior approval of the Legislative Budget Board. When requesting the approval of the Legislative Budget Board to transfer appropriations between correctional managed health care strategies, the Texas Department of Criminal Justice shall submit in a timely manner the request along with adequate information for evaluating the request. Any additional information requested by the Legislative Budget Board must be submitted promptly and in a manner prescribed by

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the Legislative Budget Board. The request shall be considered approved unless the Legislative Budget Board issues a written disapproval within 30 business days after the date the Legislative Budget Board staff concludes its review of the request and forwards the review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information by the Legislative Budget Board interrupts the counting of the 30 business days.

2. This transferability limitation extends to the Texas Tech University Health Sciences Center and the University of Texas Medical Branch, upon receipt of funding from the Texas Department of Criminal Justice.
- f. Reimbursement to Contracted Health Care Providers
1. At the beginning of each quarter, the Texas Department of Criminal Justice shall prepay the Texas Tech University Health Sciences Center and the University of Texas Medical Branch, one quarter of the annual appropriation for services to be rendered under contract.
  2. The Texas Department of Criminal Justice shall reimburse the Texas Tech University Health Sciences Center and the University of Texas Medical Branch, for actual costs, including indirect administrative services based on generally accepted accounting principles. Reimbursement for indirect administrative services is capped at 2.75 percent of annual reimbursements for services rendered under contract. The total reimbursements shall not exceed amounts appropriated above in Strategies C.1.8, Managed Health Care - Unit and Psychiatric Care, C.1.9, Managed Health Care - Hospital and Clinical Care, and C.1.10, Managed Health Care - Pharmacy, unless prior approval is provided by the Legislative Budget Board.
  3. Informational Item - In addition to the CMHC appropriations made above in TDCJ, other CMHC-related appropriations are made elsewhere in the General Appropriations Act. Certain University of Texas Medical Branch (UTMB) and Texas Tech University Health Sciences Center (TTUHSC) employees deliver TDCJ-contracted CMHC services. UTMB and TTUHSC receive monies from the General Revenue Fund in state reimbursements for a portion of the benefits provided to these university employees. This funding is provided through the various state agencies/systems that administer benefits for higher education employees.
  4. University of Texas Medical Branch and Texas Tech University Health Sciences Center are prohibited from using reimbursements and/or payments for correctional managed health care for any purpose other than the provision of correctional managed health care.
- g. Reporting Requirements
1. The Texas Department of Criminal Justice is required to submit quarterly to the Legislative Budget Board and the Office of the Governor a report detailing:
    - i. correctional managed health care actual and projected expenditures for unit and psychiatric care, hospital and clinical care, and pharmacy;
    - ii. health care utilization and acuity data; and
    - iii. other health care information determined by the Office of the Governor and the Legislative Budget Board.
  2. The Texas Tech University Health Sciences Center, the University of Texas Medical Branch, and any other contracted CMHC health care providers shall provide the Texas Department of Criminal Justice with necessary documentation to fulfill the reporting requirements contained in this section.
  3. TDCJ shall submit a report to the Legislative Budget Board describing the cost containment efforts used to improve efficiency and manage costs in the Correctional Managed Health Care system in the previous fiscal year by September 30 of each fiscal year.

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h. Managed Health Care Operational Shortfalls

1. If deemed necessary by the Texas Department of Criminal Justice, appropriations may be transferred into Strategies C.1.8, Managed Health Care - Unit and Psychiatric Care, C.1.9, Managed Health Care - Hospital and Clinical Care, and C.1.10, Managed Health Care - Pharmacy, with prior approval of the Legislative Budget Board.
2. In addition to transfer authority provided elsewhere in this Act, the Texas Department of Criminal Justice may transfer General Revenue appropriations made in Strategies C.1.8, Managed Health Care - Unit and Psychiatric Care, C.1.9, Managed Health Care - Hospital and Clinical Care, and C.1.10, Managed Health Care - Pharmacy, for fiscal year 2027 to fiscal year 2026 with prior approval of the Legislative Budget Board.
3. When requesting the approval of the Legislative Budget Board to transfer appropriations for the purposes described in paragraphs h.1. and h.2. above, the Texas Department of Criminal Justice shall submit in a timely manner the request along with adequate information for evaluating the request. Any additional information requested by the Legislative Budget Board must be submitted promptly and in a manner prescribed by the Legislative Budget Board. The request shall be considered approved unless the Legislative Budget Board issues a written disapproval within 30 business days after the date the Legislative Budget Board staff concludes its review of the request and forwards the review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information by the Legislative Budget Board interrupts the counting of the 30 business days.

- 43. Battering Intervention and Prevention Program.** Out of funds appropriated above in Strategy A.1.2, Diversion Programs, the Texas Department of Criminal Justice (TDCJ) shall allocate \$2,962,500 in fiscal year 2026 and \$2,962,500 in fiscal year 2027 for funding the Battering Intervention and Prevention Program (BIPP) in the manner required by Code of Criminal Procedure, Article 42.141. The BIPP shall be administered using a statewide allocation of direct grants from TDCJ to local non-profit organizations in the manner described in Government Code, Section 509.011. Funds subject to this provision shall be allocated at the local level and designated for use only for these programs. Funds subject to this provision may not be utilized for administrative expenses of local community supervision and corrections departments nor may they be used to supplant local funding.

Out of funds appropriated above in Goal F, Indirect Administration, TDCJ shall conduct an evaluation of the effectiveness of programs and services provided through BIPP grants during the 2024-25 biennium. The evaluation shall specify measurements of effectiveness, include qualitative program analysis, and include a progress report on the programs and services provided through BIPP grants during fiscal year 2026. TDCJ shall report the findings of the evaluation to the Legislative Budget Board and the Governor no later than September 1, 2026.

- 44. Misdemeanor Funding.** The Texas Department of Criminal Justice shall distribute funds at a rate not to exceed \$0.70 per day for each misdemeanor defendant directly supervised by a community supervision and corrections department. Funding for each misdemeanor defendant may not exceed the period of time authorized by statute.
- 45. Utilization of Correctional Institution Beds Above 96 Percent Capacity.** Out of funds appropriated above in Goal C, Incarcerate Felons, the Texas Department of Criminal Justice shall utilize correctional institution beds above 96 percent capacity to the fullest extent possible. The utilization of bed capacity is not to prohibit meeting inmate classification and custody level requirements or medical and mental health care responsibilities.
- 46. Ombudsman Reporting.** Out of funds appropriated above, the Texas Board of Criminal Justice's (TBCJ) Ombudsman shall provide annual reports to the Governor, Lieutenant Governor, Speaker of the House, and the legislative committees tasked with criminal justice and appropriations on the number and types of inquiries made, the resolution of each inquiry, and how each inquiry was resolved. These reports shall also be made available to the public. TBCJ's Ombudsman shall submit the annual reports no later than December 1st of each fiscal year for the preceding fiscal year's activity.