

By: Campos

H.B. No. 1290

A BILL TO BE ENTITLED

AN ACT

relating to the confiscation or misappropriation by a nursing facility of certain federal payments to a Medicaid recipient; increasing an administrative penalty.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter C, Chapter 242, Health and Safety Code, is amended by adding Section 242.0661 to read as follows:

Sec. 242.0661. ADMINISTRATIVE PENALTY FOR CONFISCATION OR MISAPPROPRIATION OF FEDERAL PAYMENTS. (a) In this section:

(1) "Eligible federal payment" means a payment made to an individual by the federal government that is not designated by law as income or a resource for purposes of an individual's Medicaid eligibility.

(2) "Medicaid" means the medical assistance program established under Chapter 32, Human Resources Code.

(3) "Misappropriate" means the taking, secretion, misapplication, deprivation, transfer, or attempted transfer to any person not entitled to receive any real or personal property or anything of value belonging to or under the legal control of a resident without the effective consent of the resident or other appropriate legal authority.

(b) A facility may not confiscate or misappropriate an eligible federal payment made to a resident who is a recipient of Medicaid. Notwithstanding Section 242.066(b), a facility that

1 violates this section is subject to an administrative penalty in  
2 the amount equal to \$25,000 for each violation. Each day the  
3 facility fails to return confiscated or misappropriated money to  
4 the resident constitutes a separate violation.

5 SECTION 2. Section 242.0661, Health and Safety Code, as  
6 added by this Act, applies only to conduct that occurs on or after  
7 the effective date of this Act. Conduct that occurs before that  
8 date is governed by the law in effect on the date the conduct  
9 occurred, and the former law is continued in effect for that  
10 purpose.

11 SECTION 3. This Act takes effect September 1, 2023.