

By: Rose, Raymond

H.B. No. 3902

Substitute the following for H.B. No. 3902:

By: Hull

C.S.H.B. No. 3902

A BILL TO BE ENTITLED

AN ACT

relating to the continued reimbursement under Medicaid for nursing facilities after a change in ownership.

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

SECTION 1. Subchapter D, Chapter 532, Government Code, is amended by adding Section 532.0159 to read as follows:

Sec. 532.0159. CONTINUED REIMBURSEMENT OF NURSING FACILITIES AFTER CHANGE IN OWNERSHIP. (a) The commission shall ensure that a nursing facility providing Medicaid services to recipients continues to receive Medicaid reimbursement uninterrupted after the facility experiences a change in ownership, provided the facility under the new ownership:

(1) is enrolled as a provider under Medicare, if required, and Medicaid;

(2) satisfies the applicable requirements of state law, including:

(A) the requirements of this subtitle and Chapter 32, Human Resources Code; and

(B) the licensing requirement under Chapter 242, Health and Safety Code;

(3) if required by the terms of and agreed to by the parties to the contract, assumes the contract in effect before the change in ownership;

(4) subject to Subsection (b), enters into a successor

1 liability agreement, approved by the commission; and

2 (5) meets any additional requirements prescribed by  
3 the commission.

4 (b) A successor liability agreement under Subsection (a)(4)  
5 must require that the facility under the new ownership:

6 (1) pay the commission for any outstanding liabilities  
7 under the prior contract that are identified by the commission; and

8 (2) agree that an outstanding liability identified by  
9 the commission may include a liability incurred by the previous  
10 owner without regard to:

11 (A) when a service was provided or a claim was  
12 filed; or

13 (B) whether the liability is identified by the  
14 commission or another authorized entity, including a Medicaid  
15 managed care organization.

16 (c) This section does not apply to a supplemental payment  
17 program or a directed payment program, as defined by Section  
18 [532.0102](#), operated or administered by the commission.

19 SECTION 2. If before implementing any provision of this Act  
20 a state agency determines a waiver or authorization from a federal  
21 agency is necessary for implementation of that provision, the  
22 agency affected by the provision shall request the waiver or  
23 authorization and may delay implementing that provision until the  
24 waiver or authorization is granted.

25 SECTION 3. This Act takes effect September 1, 2025.