

By: Edwards

H.B. No. 1585

A BILL TO BE ENTITLED

AN ACT

relating to reimbursements to certain urban hospitals under the disproportionate share program.

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

SECTION 1. Subchapter B, Chapter 32, Human Resources Code, is amended by adding Section 32.02805 to read as follows:

Sec. 32.02805. REIMBURSEMENTS UNDER DISPROPORTIONATE SHARE PROGRAM. (a) In this section, "qualifying hospital" means a hospital eligible for medical assistance disproportionate share funds.

(b) The department, in its rules prescribing the method and procedures for the reimbursement of a qualifying hospital under the disproportionate share program, must provide for a weight factor of 1.5 for a qualifying hospital:

(1) that is located in a metropolitan statistical area, as defined by the United States Office of Management and Budget, with a population of more than one million; and

(2) for which at least 40 percent of the hospital's gross revenue during a calendar year is attributable to patients receiving medical assistance or uncompensated care.

SECTION 2. If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementing that provision, the agency affected by the provision shall request the waiver or

1 authorization and may delay implementing that provision until the  
2 waiver or authorization is granted.

3 SECTION 3. This Act takes effect September 1, 2003.