

By: Capelo

H.B. No. 3310

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to subrogation for certain costs of services provided by a  
3 public hospital or hospital district; providing penalties.

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

5 SECTION 1. Subchapter C, Chapter 61, Health and Safety  
6 Code, is amended by adding Section 61.067 to read as follows:

7 Sec. 61.067. SUBROGATION. (a) The filing of an application  
8 for or receipt of services constitutes an assignment of the  
9 applicant's or recipient's right of recovery from:

10 (1) personal insurance;

11 (2) other sources; or

12 (3) another person for personal injury caused by the  
13 other person's negligence or wrong.

14 (b) A person who applies for or receives services shall  
15 inform the public hospital or hospital district, at the time of  
16 application or at any time during eligibility, of any unsettled  
17 tort claim that may affect health care needs and of any private  
18 accident or health insurance coverage or similar coverage that is  
19 or may become available. An applicant or eligible resident shall  
20 inform the public hospital or hospital district of any injury that  
21 is caused by the act or failure to act of some other person. An  
22 applicant or eligible resident shall inform the public hospital or  
23 hospital district as required by this subsection not later than the  
24 10th day after the date the person learns of the person's insurance

1 coverage, tort claim, or potential cause of action.

2 (c) A claim for damages for personal injury does not  
3 constitute grounds for denying or discontinuing services under this  
4 chapter.

5 (d) A separate and distinct cause of action in favor of the  
6 public hospital or hospital district is created under this section,  
7 and the public hospital or hospital district may, without written  
8 consent, take direct civil action in any court of competent  
9 jurisdiction. A suit brought under this section need not be  
10 ancillary to or dependent on any other action.

11 (e) The public hospital's or hospital district's right of  
12 recovery is limited to the amount of the cost of services paid by  
13 the public hospital or hospital district. Other subrogation rights  
14 granted under this section are limited to the cost of the services  
15 provided.

16 (f) An applicant or eligible resident who knowingly and  
17 intentionally fails to disclose the information required by  
18 Subsection (b) commits a Class C misdemeanor.

19 (g) An applicant or eligible resident who knowingly and  
20 intentionally fails to disclose the information required by  
21 Subsection (b) is subject to denial of services under this chapter  
22 following an administrative hearing.

23 (h) Procedures established by a public hospital or hospital  
24 district for administrative hearings under this section must  
25 provide for appropriate due process, including procedures for  
26 appeals.

27 SECTION 2. This Act applies only to the filing of an

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1 application for services or receipt of services as described by  
2 Section 61.067, Health and Safety Code, as added by this Act, on or  
3 after the effective date of this Act.

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