

By: Davis of Harris

H.B. No. 3349

A BILL TO BE ENTITLED

AN ACT

relating to 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 THE DISPROPORTIONATE SHARE PROGRAM. (a) The department by rule shall prescribe the information, including information relating to the provision of services, that a facility must report to receive reimbursement under the disproportionate share program. The department may provide for an audit of information provided under this subsection.

(b) The department shall reimburse state-owned facilities under the disproportionate share program at the highest rate allowed by federal law.

SECTION 2. (a) Not later than September 1, 2004, the Health and Human Services Commission shall revise the formula for providing reimbursement under the disproportionate share program. In revising the formula, the commission, to the extent possible, shall:

(1) increase the emphasis on services given to uninsured persons; and

(2) ensure that any reduced reimbursements under the disproportionate share program for services for uninsured or rural patients made to a hospital that receives enhanced Medicaid

1 payments under another federal program, such as the upper payment
2 limit program, are offset by payments from that other federal
3 program.

4 (b) Not later than December 1, 2004, the Health and Human
5 Services Commission shall send a report to the governor, lieutenant
6 governor, and speaker of the house of representatives regarding the
7 formula revision required by Subsection (a) of this section.

8 SECTION 3. If before implementing any provision of this Act
9 a state agency determines that a waiver or authorization from a
10 federal agency is necessary for implementing that provision, the
11 agency affected by the provision shall request the waiver or
12 authorization and may delay implementing that provision until the
13 waiver or authorization is granted.

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