1-1 By: Bivins S.B. No. 1862 (In the Senate - Filed March 17, 2003; March 20, 2003, read first time and referred to Committee on Finance; May 14, 2003, 1-2 1-3 1-4 reported adversely, with favorable Committee Substitute by the 1-5 following vote: Yeas 9, Nays 0; May 14, 2003, sent to printer.) 1-6 COMMITTEE SUBSTITUTE FOR S.B. No. 1862 By: Bivins 1-7 A BILL TO BE ENTITLED 1-8 AN ACT 1-9 relating to health and human services. 1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: SECTION 1. (a) Subsection (a), Section 252.202, Health and 1-11 Safety Code, is amended to read as follows: 1-12 (a) A quality assurance fee is imposed on each facility for which a license fee must be paid under Section 252.034, [and] on each facility owned by a community mental health and mental retardation center, as described by Subchapter A, Chapter 534, and 1-13 1**-**14 1**-**15 1-16 on each facility owned by the Texas Department of Mental Health and 1-17 Mental Retardation. The fee: 1-18 is an amount established under Subsection (b) the number of patient days as determined in 1-19 1-20 (1)multiplied by 1-21 accordance with Section 252.203; 1-22 (2) is payable monthly; and is in addition to other fees imposed under this 1-23 (3) 1-24 chapter. 1-25 Not later than August 31, 2003, the Texas Department of (b) Mental Health and Mental Retardation shall pay for each facility 1-26 owned by the department the quality assurance fee imposed by Section 252.202, Health and Safety Code, as amended by this section, for patient days occurring between September 1, 2002, and July 31, 2003. However, the department is not required to pay that quality assurance fee as provided by this subsection if this 1-27 1-28 1-29 1-30 1-31 section does not take effect before September 1, 2003, and, in that event, any appropriation made to the department for that purpose may not be made available to the department for that purpose. SECTION 2. Section 252.203, Health and Safety Code, is 1-32 1-33 1-34 1-35 1-36 amended to read as follows: Sec. 252.203. PATIENT DAYS. 1-37 For each calendar day, а 1-38 facility shall determine the number of patient days by adding the 1-39 following: 1-40 the number of patients occupying a facility bed (1)1-41 immediately before midnight of that day; and 1-42 (2) [the number of beds that are on hold on that day and that have been placed on hold for a period not to exceed three 1-43 consecutive calendar days during which a patient is in a hospital; 1-44 1-45 and 1-46 $\left[\frac{(3)}{(3)}\right]$ the number of beds that are on hold on that day 1-47 and that have been placed on hold for a period not to exceed three 1-48 consecutive calendar days during which a patient is on therapeutic 1-49 [home] leave. 1-50 SECTION 3. Subsection (b), Section 252.204, Health and 1-51 Safety Code, is amended to read as follows: 1-52 (b) Each facility shall: (1) not later than the 20th [10th] day after the last day of a month file a report with the Health and Human Services Commission or the department, as appropriate, stating the total 1-53 1-54 1-55 1-56 patient days for the month; and 1-57 (2) not later than the 30th day after the last day of 1-58 the month pay the quality assurance fee. SECTION 4. (a) Subsections (a) and (c), Section 252.207, Health and Safety Code, are amended to read as follows: 1-59 1-60 (a) Subject to legislative appropriation and state and 1-61 federal law, the [The] Health and Human Services Commission may [shall] use money in the quality assurance fund, together with any 1-62 1-63

C.S.S.B. No. 1862

2-1 federal money available to match that money[, to]: (1) <u>to</u> offset [allowable] expenses 2-2 incurred to

administer the quality assurance fee under this chapter [under 2-3 the 2 - 4Medicaid program]; [or] 2-5

(2) <u>to</u> increase reimbursement rates paid under the Medicaid program to facilities <u>or waiver programs for persons with</u> mental retardation operated in accordance with 42 U.S.C. Section 1396n(c) and its subsequent amendments; or

(3) for any other health and human services purpose approved by the governor and Legislative Budget Board[, subject to Section 252.206(d)].

(c) If money in the quality assurance fund is used to increase a reimbursement rate in the Medicaid program, the [The] Health and Human Services Commission shall ensure that the reimbursement methodology used to set that rate [formula devised under Subsection (b)] provides incentives to increase direct care staffing and direct care wages and benefits.

(b) Subsection (b), Section 252.207, Health and Safety Code, is repealed.

SECTION 5. Notwithstanding any other statute of this state, each health and human services agency, as defined by Section 531.001, Government Code, is authorized to reduce expenditures by:

2-23 (1) consolidating any reports or publications the agency is required to make and filing or delivering any of those 2-24 reports or publications exclusively by electronic means; (2) extending the effective period of any license, 2-25

2-26 2-27 permit, or registration the agency grants or administers;

2-28 (3) entering into a contract with another governmental 2-29 entity or with a private vendor to carry out any of the agency's 2-30 duties;

2-31 (4) providing that any communication between the 2-32 agency and another person and any document required to be delivered to or by the agency, including any application, notice, billing statement, receipt, or certificate, may be made or delivered by 2-33 2-34 electronic mail or through the Internet; and (5) adopting and collecting fees or charges to cover 2-35

2-36 2-37 any costs the agency incurs in performing its lawful functions.

2-38 SECTION 6. If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the 2-39 2-40 2-41 2-42 2-43 waiver or authorization is granted.

2-44 SECTION 7. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this 2-45 2-46 2-47 Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2003. 2-48

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