

## **BILL ANALYSIS**

C.S.H.B. 636  
By: Brown, Fred  
County Affairs  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The County Indigent Health Care Program (CIHCP) was mandated by the 69<sup>th</sup> legislative Session and required counties with out a hospital district or public hospital to set aside funds to assist in indigent care for eligible residents. To receive state assistance, counties are required to set aside 8% of their general revenue levy for each fiscal year to provide health care services to eligible indigent county residents but they are not required to report how they money is actually spent.

The current statute requires the counties to set aside the funds yet do not mandate that they spend the entire eight percent but only the percentage of funds that represents those individuals that need the minimum eligibility standards for net income of 21% of the federal poverty level. The net poverty rate for FY 2005 is \$1,571 a month for a family of four. To qualify for indigent care assistance a family of four would have to make 21% of the poverty rate or \$329.91 a month. The current standard of eligibility is unrealistically low and eliminates most individuals that are in need of assistance, which ultimately results in the counties not having to spend the money that was et aside for indigent healthcare assistance.

C.S.H.B. 636 would require counties without a hospital or public hospital to spend at least six percent of the eight percent set aside for indigent assistance and if the counties eligibility requirements result in funds that would equate to less than six percent then the counties must adopt a less restrictive standard of eligibility. The bill also requires the Texas Department of Health (TDH) to reimburse a county for all expenditures from funds appropriated for Medicaid services. The TDH is also required to submit all reimbursements for federal matching funds under the Medicaid program, and all funds received are required to be deposited in an account in the state general fund for Medicaid purposes.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

SECTION 1. Amends Section 61.022, Health and Safety Code, by adding Subsections (c), (d), and (e) as follows:

- (c) Requires a county, in a state fiscal year, to spend at least six percent of the county's general revenue levy for that year to provide health care assistance to eligible county residents.
- (d) Requires a county that does not spend the amount required in a fiscal year to adopt a less restrictive standard of eligibility for the next fiscal year.
- (e) Requires the Texas Department of Health to reimburse a county for all expenditures from funds appropriated for Medicaid services. The TDH is also required to submit all reimbursements for federal matching funds under the Medicaid program, and all funds received are required to be deposited in an account in the state general fund for Medicaid purposes.

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 implementation of that provision, the agency affected by the provision is required to request the waiver or authorization and is authorized to delay implementing that provision until the waiver or authorization is granted.

SECTION 3. Effective Date

**EFFECTIVE DATE**

September 1, 2005

**COMPARISON OF ORIGINAL TO SUBSTITUTE**

C.S.H.B. 636 adds Subsection (e) which requires the Texas Department of Health to reimburse a county for all expenditures from funds appropriated for Medicaid services. The TDH is also required to submit all reimbursements for federal matching funds under the Medicaid program, and all funds received are required to be deposited in an account in the state general fund for Medicaid purposes. The original bill only added Subsections (c) and (d).

C.S.H.B. 636 also adds a new Section 2 to the bill which provides that 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 is required to request the waiver or authorization and is authorized to delay implementing that provision until the waiver or authorization is granted.