

By: Uresti

H.B. No. 3242

A BILL TO BE ENTITLED

AN ACT

Relating to charity care and government-sponsored indigent health care provided at certain for-profit hospitals.

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

SECTION 1. Subchapter D, Chapter 311, Health & Safety Code, is amended by adding Section 311.0435 to read as follows:

§ 311.0435. DUTY OF FOR-PROFIT HOSPITALS TO PROVIDE COMMUNITY BENEFITS. (a) In order to maintain its license, a hospital, other than a non-profit hospital covered by Section 311.043 or a hospital owned or operated by a political subdivision, that receives any tax abatement from any political subdivision shall provide charity care and government-sponsored indigent health care, in an amount that satisfies the requirements of subsection (b). A determination of the amount of charity care and government-sponsored indigent health care provided by a hospital shall be based on the most recently completed and audited prior fiscal year of the hospital.

(b) Charity care shall be provided in an amount equal to at least five percent of the hospital's net patient revenue, provided that government-sponsored indigent health care is provided in an amount equal to at least four percent of net patient revenue.

(c) Reductions in the amount of charity care and government-sponsored indigent health care provided by a hospital

1 shall be considered reasonable if the hospital, as a result of a
2 natural or other disaster, is required substantially to curtail its
3 operations.

4 (d) A hospital's admissions policy must provide for
5 the admission of financially indigent and medically indigent
6 persons.

7 (e) For the purpose of this section, "political
8 subdivision" means a county, municipality, special district,
9 school district, or other government subdivision of the state.

10 SECTION 2. This Act takes effect immediately if it receives
11 a vote of two-thirds of all the members elected to each house, as
12 provided by Section 39, Article III, Texas Constitution. If this
13 Act does not receive the vote necessary for immediate effect, this
14 Act takes effect September 1, 2005.