

By: Isett

H.B. No. 2540

A BILL TO BE ENTITLED

AN ACT

relating to implementing a pilot project to streamline and expedite the cost reporting and auditing process for certain providers.

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

SECTION 1. Subchapter B, Chapter 531, Government Code, is amended by adding Section 531.02114 to read as follows:

Sec. 531.02114. PILOT PROJECT TO STREAMLINE AND EXPEDITE COST REPORTING AND AUDITING PROCESS FOR CERTAIN PROVIDERS. (a) In this section:

(1) "Pilot project" means the pilot project to streamline and expedite the cost reporting and auditing process for providers implemented by the commission under this section.

(2) "Provider" means a private ICF-MR facility or community-based services provider.

(b) The commission shall develop and implement a pilot project to streamline and expedite the cost reporting and auditing process for private ICF-MR facilities and community-based services providers. In developing the pilot project, the commission shall:

(1) provide a simplified cost reporting process for providers similar to the standard business financial reporting process that permits the reporting of both allowable costs and unallowable costs, as those terms are defined by the commission;

(2) ensure simplicity in the cost reporting and auditing process by evaluating any advantages in establishing

1 minimum spending requirements for providers;

2 (3) require providers to include, with the financial
3 reports submitted to the commission for cost reporting or auditing
4 purposes, a financial review of those reports that is conducted by
5 an accounting firm licensed under Chapter 901, Occupations Code,
6 and prepared in accordance both with commission guidelines and
7 generally accepted accounting principles;

8 (4) consider providing incentives for providers to
9 submit independently audited financial information in lieu of
10 reviewed financial reports; and

11 (5) require mandatory electronic filing of financial
12 information not later than the second year of operation of the pilot
13 project.

14 (c) The commission shall collaborate with providers and
15 licensed accounting firms to develop the pilot project.

16 (d) The executive commissioner may revise rules regarding
17 the reimbursement of private ICF-MR facilities and community-based
18 services providers as necessary to implement the pilot project.

19 (e) Not later than September 1, 2008, the commission shall
20 submit a report to the legislature that:

21 (1) evaluates the operation of the pilot project; and

22 (2) makes recommendations regarding the continuation
23 or expansion of the pilot project.

24 (f) This section expires September 1, 2009.

25 SECTION 2. As soon as practicable after the effective date
26 of this Act, the Health and Human Services Commission shall
27 implement the pilot project implemented under Section 531.02114,

1 Government Code, as added by this Act.

2 SECTION 3. This Act takes effect September 1, 2007.