By: Deuell S.B. No. 551

## A BILL TO BE ENTITLED

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L	AN ACT

- 2 relating to indigent health care.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 4 SECTION 1. Section 61.002, Health and Safety Code, is
- 5 amended by amending Subdivision (1) and adding Subdivision (4-a) to
- 6 read as follows:
- 7 (1) "Department" means the [Texas] Department of <u>State</u>
- 8 Health Services.
- 9 (4-a) "Executive commissioner" means the executive
- 10 <u>commissioner of the Health and Human Services Commission.</u>
- 11 SECTION 2. Subsection (f), Section 61.003, Health and
- 12 Safety Code, is amended to read as follows:
- 13 (f) For purposes of this chapter, a person who is an inmate
- 14 or resident of a state school or institution operated by the
- 15 department, the Texas Department of Criminal Justice
- 16 [Corrections], the [Texas] Department of Aging and Disability
- 17 Services [Mental Health and Mental Retardation], the Texas Youth
- 18 Commission, the Texas School for the Blind and Visually Impaired,
- 19 the Texas School for the Deaf, or any other state agency or who is an
- 20 inmate, patient, or resident of a school or institution operated by
- 21 a federal agency is not considered a resident of a hospital district
- 22 or of any governmental entity except the state or federal
- 23 government.
- SECTION 3. The heading to Section 61.004, Health and Safety

- 1 Code, is amended to read as follows:
- 2 Sec. 61.004. [RESIDENCE OR] ELIGIBILITY DISPUTE.
- 3 SECTION 4. Subsections (a) and (d), Section 61.004, Health
- 4 and Safety Code, are amended to read as follows:
- 5 (a) If a provider of assistance and a governmental entity or
- 6 hospital district cannot agree on [a person's residence or] whether
- 7 a person is eligible for assistance under this chapter, the
- 8 provider or the governmental entity or hospital district may submit
- 9 the matter to the department.
- 10 (d) From the information submitted, the department shall
- 11 determine [the person's residence or] whether the person is
- 12 eligible for assistance under this chapter[, as appropriate,] and
- 13 shall notify each governmental entity or hospital district and the
- 14 provider of assistance of the decision and the reasons for the
- 15 decision.
- SECTION 5. Subsection (b), Section 61.0045, Health and
- 17 Safety Code, is amended to read as follows:
- 18 (b) A county, hospital district, or public hospital that
- 19 receives information obtained under Subsection (a) shall use the
- 20 information to determine whether the patient to whom services were
- 21 provided is an eligible resident of the service area of the county,
- 22 hospital district, or public hospital and, if so, shall pay the
- 23 claim made by the provider in accordance with its liability for
- 24 payment for the services as described by Section 61.033 or 61.060
- 25 [this chapter].
- SECTION 6. Subsection (c), Section 61.006, Health and
- 27 Safety Code, is amended to read as follows:

- 1 (c) The department shall also define the services and
- 2 establish the payment standards for the categories of services
- 3 listed in Sections 61.028(a) and 61.0285 in accordance with Health
- 4 and Human Services Commission [Texas Department of Human Services]
- 5 rules relating to the Temporary Assistance for Needy
- 6 Families-Medicaid program.
- 7 SECTION 7. Section 61.007, Health and Safety Code, is
- 8 amended to read as follows:
- 9 Sec. 61.007. INFORMATION PROVIDED BY APPLICANT. The
- 10 department by rule shall require each applicant to provide at least
- 11 the following information:
- 12 (1) the applicant's full name and address;
- 13 (2) the applicant's social security number, if
- 14 available;
- 15 (3) the number of persons in the applicant's
- 16 household, excluding persons receiving Temporary Assistance for
- 17 Needy Families, Supplemental Security Income, or Medicaid
- 18 benefits;
- 19 (4) the applicant's county of residence;
- 20 (5) the existence of insurance coverage or other
- 21 hospital or health care benefits for which the applicant is
- 22 eligible;
- 23 (6) any transfer of title to real property by [that]
- the applicant [has made in the preceding 24 months];
- 25 (7) the applicant's annual household income, excluding
- the income of any household member receiving Temporary Assistance
- 27 for Needy Families, Supplemental Security Income, or Medicaid

- 1 benefits; and
- 2 (8) the <u>value</u> [amount] of the applicant's liquid
- 3 resources, vehicles, [assets and the equity value of the
- 4 applicant's car and real property.
- 5 SECTION 8. Subsection (a), Section 61.008, Health and
- 6 Safety Code, is amended to read as follows:
- 7 (a) The <u>executive commissioner</u> [department] by rule shall
- 8 provide that in determining eligibility:
- 9 (1) a county may not consider the value of the
- 10 applicant's homestead;
- 11 (2) a county must consider the [equity] value of a
- 12 vehicle [car] that is in excess of the amount exempted under
- 13 department guidelines as a resource;
- 14 (3) a county must subtract the work-related and
- 15 dependent [child] care expense [allowance] allowed under
- 16 department guidelines;
- 17 (4) a county must consider as a resource real property
- other than a homestead and, except as provided by Subsection (b),
- 19 must count that property in determining eligibility; and
- 20 (5) <u>transferral of countable resources may not be more</u>
- 21 restrictive than the resource requirements for the Temporary
- 22 Assistance for Needy Families-Medicaid program [if an applicant
- 23 transferred title to real property for less than market value to
- 24 become eligible for assistance under this chapter, the county may
- 25 not credit toward eligibility for state assistance an expenditure
- 26 for that applicant made during a two-year period beginning on the
- 27 date on which the property is transferred].

- 1 SECTION 9. Section 61.009, Health and Safety Code, is
- 2 amended by amending Subsection (a) and adding Subsection (c) to
- 3 read as follows:
- 4 (a) The department shall establish uniform reporting
- 5 requirements for governmental entities that own, operate, or lease
- 6 public hospitals providing assistance under this chapter and for
- 7 counties and hospital districts.
- 8 <u>(c) The reports must be sent to the department at least</u>
- 9 annually.
- SECTION 10. Subsection (b), Section 61.025, Health and
- 11 Safety Code, is amended to read as follows:
- 12 (b) The transfer agreement may transfer partial
- 13 responsibility to the county under which the municipal hospital
- 14 continues to provide health care services to eligible residents of
- 15 the municipality, but the county agrees to assume the hospital's
- 16 responsibility to reimburse other providers who provide:
- 17 (1) basic [mandatory] inpatient or outpatient
- 18 services to eligible residents that the municipal hospital cannot
- 19 provide; or
- 20 (2) emergency services to eligible residents.
- SECTION 11. Subsections (a) and (b), Section 61.0285,
- 22 Health and Safety Code, are amended to read as follows:
- 23 (a) In addition to basic health care services provided under
- 24 Section 61.028, a county may, in accordance with [department] rules
- 25 adopted by the executive commissioner under Section 61.006, provide
- 26 other medically necessary services or supplies that the county
- 27 determines to be cost-effective, including:

- 1 (1) freestanding ambulatory surgical center services;
- 2 (2) diabetic and colostomy medical supplies and
- 3 equipment;
- 4 (3) durable medical equipment;
- 5 (4) home and community health care services;
- 6 (5) social work services;
- 7 (6) psychological counseling services;
- 8 (7) services provided by physician assistants, nurse
- 9 practitioners, certified nurse midwives, clinical nurse
- 10 specialists, and certified registered nurse anesthetists;
- 11 (8) dental care;
- 12 (9) vision care, including eyeglasses;
- 13 (10) services provided by federally qualified health
- 14 centers, as defined by 42 U.S.C. Section 1396d(1)(2)(B);
- 15 (11) emergency medical services; and
- 16 (12) any other appropriate health care service
- 17 identified by [board] rule that may be determined to be
- 18 cost-effective.
- 19 (b) A county must notify the department of the county's
- 20 intent to provide services specified by Subsection (a). The [If the
- 21 services are approved by the department under Section 61.006, or if
- 22 the department fails to notify the county of the department's
- 23 disapproval before the 31st day after the date the county notifies
- 24 the department of its intent to provide the services, the] county
- 25 may credit the services toward eligibility for state assistance
- 26 under this subchapter.
- SECTION 12. Subsection (e), Section 61.032, Health and

- 1 Safety Code, is amended to read as follows:
- 2 (e) If the county and the provider disagree on the patient's
- 3 [residence or] eligibility, the county or the provider may submit
- 4 the matter to the department as provided by Section 61.004.
- 5 SECTION 13. Subsection (a), Section 61.042, Health and
- 6 Safety Code, is amended to read as follows:
- 7 (a) A county may establish procedures consistent with those
- 8 used by the Health and Human Services Commission [Texas Department
- 9 of Human Services] under Chapter 31, Human Resources Code, for
- 10 administering an employment services program and requiring an
- 11 applicant or eligible resident to register for work with the Texas
- 12 Workforce [Employment] Commission.
- 13 SECTION 14. Section 61.066, Health and Safety Code, is
- 14 amended to read as follows:
- 15 Sec. 61.066. PREVENTION AND DETECTION OF FRAUD. (a) A
- 16 hospital district or public hospital may adopt reasonable
- 17 procedures for minimizing the opportunity for fraud, for
- 18 establishing and maintaining methods for detecting and identifying
- 19 situations in which a question of fraud may exist, and for
- 20 administrative hearings to be conducted on disqualifying persons in
- 21 cases where fraud appears to exist.
- 22 (b) Procedures established by a hospital district or public
- 23 hospital for administrative hearings conducted under this section
- shall provide for appropriate due process, including procedures for
- 25 appeals.
- SECTION 15. Subsection (c), Section 61.023, Health and
- 27 Safety Code, is repealed.

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- 1 SECTION 16. Notwithstanding Subsection (e), Section
- 2 61.025, Health and Safety Code, a county and municipality may amend
- 3 an agreement under Section 61.025, Health and Safety Code, to
- 4 conform to changes in law made by this Act to Subsection (b),
- 5 Section 61.025, Health and Safety Code.
- 6 SECTION 17. This Act takes effect immediately if it
- 7 receives a vote of two-thirds of all the members elected to each
- 8 house, as provided by Section 39, Article III, Texas Constitution.
- 9 If this Act does not receive the vote necessary for immediate
- 10 effect, this Act takes effect September 1, 2007.