

1-1 By: Deuell S.B. No. 551
1-2 (In the Senate - Filed February 8, 2007; February 26, 2007,
1-3 read first time and referred to Committee on Health and Human
1-4 Services; March 12, 2007, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 8, Nays 0;
1-6 March 12, 2007, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 551 By: Deuell

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to indigent health care.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Section 61.002, Health and Safety Code, is
1-13 amended by amending Subdivision (1) and adding Subdivision (4-a) to
1-14 read as follows:

1-15 (1) "Department" means the ~~[Texas]~~ Department of State
1-16 Health Services.

1-17 (4-a) "Executive commissioner" means the executive
1-18 commissioner of the Health and Human Services Commission.

1-19 SECTION 2. Subsection (f), Section 61.003, Health and
1-20 Safety Code, is amended to read as follows:

1-21 (f) For purposes of this chapter, a person who is an inmate
1-22 or resident of a state school or institution operated by the
1-23 department, the Texas Department of Criminal Justice
1-24 [Corrections], the ~~[Texas]~~ Department of Aging and Disability
1-25 Services ~~[Mental Health and Mental Retardation]~~, the Texas Youth
1-26 Commission, the Texas School for the Blind and Visually Impaired,
1-27 the Texas School for the Deaf, or any other state agency or who is an
1-28 inmate, patient, or resident of a school or institution operated by
1-29 a federal agency is not considered a resident of a hospital district
1-30 or of any governmental entity except the state or federal
1-31 government.

1-32 SECTION 3. The heading to Section 61.004, Health and Safety
1-33 Code, is amended to read as follows:

1-34 Sec. 61.004. ~~[RESIDENCE OR]~~ ELIGIBILITY DISPUTE.

1-35 SECTION 4. Subsections (a) and (d), Section 61.004, Health
1-36 and Safety Code, are amended to read as follows:

1-37 (a) If a provider of assistance and a governmental entity or
1-38 hospital district cannot agree on ~~[a person's residence or]~~ whether
1-39 a person is eligible for assistance under this chapter, the
1-40 provider or the governmental entity or hospital district may submit
1-41 the matter to the department.

1-42 (d) From the information submitted, the department shall
1-43 determine ~~[the person's residence or]~~ whether the person is
1-44 eligible for assistance under this chapter ~~[, as appropriate,]~~ and
1-45 shall notify each governmental entity or hospital district and the
1-46 provider of assistance of the decision and the reasons for the
1-47 decision.

1-48 SECTION 5. Subsection (b), Section 61.0045, Health and
1-49 Safety Code, is amended to read as follows:

1-50 (b) A county, hospital district, or public hospital that
1-51 receives information obtained under Subsection (a) shall use the
1-52 information to determine whether the patient to whom services were
1-53 provided is an eligible resident of the servicearea of the county,
1-54 hospital district, or public hospital and, if so, shall pay the
1-55 claim made by the provider in accordance with its liability for
1-56 payment for the services as described by Section 61.033 or 61.060
1-57 [this chapter].

1-58 SECTION 6. Subsection (c), Section 61.006, Health and
1-59 Safety Code, is amended to read as follows:

1-60 (c) The department shall also define the services and
1-61 establish the payment standards for the categories of services
1-62 listed in Sections 61.028(a) and 61.0285 in accordance with Health
1-63 and Human Services Commission ~~[Texas Department of Human Services]~~

2-1 rules relating to the Temporary Assistance for Needy
2-2 Families-Medicaid program.

2-3 SECTION 7. Section 61.007, Health and Safety Code, is
2-4 amended to read as follows:

2-5 Sec. 61.007. INFORMATION PROVIDED BY APPLICANT. The
2-6 department by rule shall require each applicant to provide at least
2-7 the following information:

2-8 (1) the applicant's full name and address;

2-9 (2) the applicant's social security number, if
2-10 available;

2-11 (3) the number of persons in the applicant's
2-12 household, excluding persons receiving Temporary Assistance for
2-13 Needy Families, Supplemental Security Income, or Medicaid
2-14 benefits;

2-15 (4) the applicant's county of residence;

2-16 (5) the existence of insurance coverage or other
2-17 hospital or health care benefits for which the applicant is
2-18 eligible;

2-19 (6) any transfer of title to real property by ~~[that]~~
2-20 the applicant ~~[has made in the preceding 24 months]~~;

2-21 (7) the applicant's annual household income, excluding
2-22 the income of any household member receiving Temporary Assistance
2-23 for Needy Families, Supplemental Security Income, or Medicaid
2-24 benefits; and

2-25 (8) the value ~~[amount]~~ of the applicant's liquid
2-26 resources, vehicles, ~~[assets and the equity value of the~~
2-27 ~~applicant's car]~~ and real property.

2-28 SECTION 8. Subsection (a), Section 61.008, Health and
2-29 Safety Code, is amended to read as follows:

2-30 (a) The executive commissioner ~~[department]~~ by rule shall
2-31 provide that in determining eligibility:

2-32 (1) a county may not consider the value of the
2-33 applicant's homestead;

2-34 (2) a county must consider the ~~[equity]~~ value of a
2-35 vehicle ~~[car]~~ that is in excess of the amount exempted under
2-36 department guidelines as a resource;

2-37 (3) a county must subtract the work-related and
2-38 dependent ~~[child]~~ care expense ~~[allowance]~~ allowed under
2-39 department guidelines;

2-40 (4) a county must consider as a resource real property
2-41 other than a homestead and, except as provided by Subsection (b),
2-42 must count that property in determining eligibility; and

2-43 (5) transferral of countable resources may not be more
2-44 restrictive than the resource requirements for the Temporary
2-45 Assistance for Needy Families-Medicaid program ~~[if an applicant~~
2-46 ~~transferred title to real property for less than market value to~~
2-47 ~~become eligible for assistance under this chapter, the county may~~
2-48 ~~not credit toward eligibility for state assistance an expenditure~~
2-49 ~~for that applicant made during a two-year period beginning on the~~
2-50 ~~date on which the property is transferred].~~

2-51 SECTION 9. Section 61.009, Health and Safety Code, is
2-52 amended by amending Subsection (a) and adding Subsection (c) to
2-53 read as follows:

2-54 (a) The department shall establish uniform reporting
2-55 requirements for governmental entities that own, operate, or lease
2-56 public hospitals providing assistance under this chapter and for
2-57 counties and hospital districts.

2-58 (c) The reports must be sent to the department at least
2-59 annually.

2-60 SECTION 10. Subsection (b), Section 61.025, Health and
2-61 Safety Code, is amended to read as follows:

2-62 (b) The transfer agreement may transfer partial
2-63 responsibility to the county under which the municipal hospital
2-64 continues to provide health care services to eligible residents of
2-65 the municipality, but the county agrees to assume the hospital's
2-66 responsibility to reimburse other providers who provide:

2-67 (1) basic ~~[mandatory]~~ inpatient or outpatient
2-68 services to eligible residents that the municipal hospital cannot
2-69 provide; or

3-1 (2) emergency services to eligible residents.
3-2 SECTION 11. Subsections (a) and (b), Section 61.0285,
3-3 Health and Safety Code, are amended to read as follows:

3-4 (a) In addition to basic health care services provided under
3-5 Section 61.028, a county may, in accordance with [~~department~~] rules
3-6 adopted by the executive commissioner under Section 61.006, provide
3-7 other medically necessary services or supplies that the county
3-8 determines to be cost-effective, including:

- 3-9 (1) freestanding ambulatory surgical center services;
- 3-10 (2) diabetic and colostomy medical supplies and
3-11 equipment;
- 3-12 (3) durable medical equipment;
- 3-13 (4) home and community health care services;
- 3-14 (5) social work services;
- 3-15 (6) psychological counseling services;
- 3-16 (7) services provided by physician assistants, nurse
3-17 practitioners, certified nurse midwives, clinical nurse
3-18 specialists, and certified registered nurse anesthetists;
- 3-19 (8) dental care;
- 3-20 (9) vision care, including eyeglasses;
- 3-21 (10) services provided by federally qualified health
3-22 centers, as defined by 42 U.S.C. Section 1396d(1)(2)(B);
- 3-23 (11) emergency medical services; and
- 3-24 (12) any other appropriate health care service
3-25 identified by [~~board~~] rule that may be determined to be
3-26 cost-effective.

3-27 (b) A county must notify the department of the county's
3-28 intent to provide services specified by Subsection (a). ~~The [If the~~
3-29 ~~services are approved by the department under Section 61.006, or if~~
3-30 ~~the department fails to notify the county of the department's~~
3-31 ~~disapproval before the 31st day after the date the county notifies~~
3-32 ~~the department of its intent to provide the services, the] county~~
3-33 may credit the services toward eligibility for state assistance
3-34 under this subchapter.

3-35 SECTION 12. Subsection (e), Section 61.032, Health and
3-36 Safety Code, is amended to read as follows:

3-37 (e) If the county and the provider disagree on the patient's
3-38 [~~residence or~~] eligibility, the county or the provider may submit
3-39 the matter to the department as provided by Section 61.004.

3-40 SECTION 13. Subsection (a), Section 61.042, Health and
3-41 Safety Code, is amended to read as follows:

3-42 (a) A county may establish procedures consistent with those
3-43 used by the Health and Human Services Commission [~~Texas Department~~
3-44 ~~of Human Services]~~ under Chapter 31, Human Resources Code, for
3-45 administering an employment services program and requiring an
3-46 applicant or eligible resident to register for work with the Texas
3-47 Workforce [~~Employment~~] Commission.

3-48 SECTION 14. Section 61.066, Health and Safety Code, is
3-49 amended to read as follows:

3-50 Sec. 61.066. PREVENTION AND DETECTION OF FRAUD. (a) A
3-51 hospital district or public hospital may adopt reasonable
3-52 procedures for minimizing the opportunity for fraud, for
3-53 establishing and maintaining methods for detecting and identifying
3-54 situations in which a question of fraud may exist, and for
3-55 administrative hearings to be conducted on disqualifying persons in
3-56 cases where fraud appears to exist.

3-57 (b) Procedures established by a hospital district or public
3-58 hospital for administrative hearings conducted under this section
3-59 shall provide for appropriate due process, including procedures for
3-60 appeals.

3-61 SECTION 15. Subsection (c), Section 61.023, Health and
3-62 Safety Code, is repealed.

3-63 SECTION 16. Notwithstanding Subsection (e), Section
3-64 61.025, Health and Safety Code, a county and municipality may amend
3-65 an agreement under Section 61.025, Health and Safety Code, to
3-66 conform to changes in law made by this Act to Subsection (b),
3-67 Section 61.025, Health and Safety Code.

3-68 SECTION 17. This Act takes effect immediately if it
3-69 receives a vote of two-thirds of all the members elected to each

4-1 house, as provided by Section 39, Article III, Texas Constitution.
4-2 If this Act does not receive the vote necessary for immediate
4-3 effect, this Act takes effect September 1, 2007.

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