

## **BILL ANALYSIS**

H.B. 2205  
By: Gonzales  
Public Health  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The Indigent Health Care and Treatment Act provides for state assistance to counties that spend more than eight percent of their tax levy on indigent health care. Eleven counties currently receive state assistance under the act. State law does not include payments to the Medicaid upper payment limit program as part of a county's indigent health care expense, even though Medicaid patients are classified as indigent.

Counties choosing to use tax revenue for the Medicaid program lose the credit they otherwise would receive from the state for spending tax revenue to care for the poor. Therefore, counties must choose between forgoing state funding or turning down federal matching funds for contributing to the Medicaid program. Including county funding used to pay for indigent health care services provided through Medicaid would allow a county to benefit from more federal funding assistance with no additional cost to the state.

H.B. 2205 authorizes a county to include, for state assistance qualification, any payment made by the county for indigent health care through Medicaid.

### **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**

H.B. 2205 amends the Health and Safety Code to authorize a county to include as part of the county's eight percent expenditure level to qualify for state assistance for health care services, any payment made by the county for health care services provided through Medicaid, including the county's direct reimbursement to health care providers and indirect reimbursement through transfers of funds to the state for health care services provided through Medicaid. The bill makes conforming changes.

### **EFFECTIVE DATE**

September 1, 2009.