

By: Jackson

H.B. No. 490

A BILL TO BE ENTITLED

AN ACT

relating to indigent health care.

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

SECTION 1. (a) In this section, "region" means the area formed by the counties in public health region three of this state as established by the Department of State Health Services.

(b) The regional health care systems review committee is created to conduct public hearings regarding, and to study the implications of, implementing regional health care service to address indigent health care in the region.

(c) The committee consists of:

(1) each member of the legislature who represents a district that contains territory in the region;

(2) each county commissioner of a county located in the region;

(3) each county judge in the region; and

(4) the executive director of each public and nonprofit hospital system in the region.

(d) In conducting hearings and studies, the committee shall:

(1) examine whether a regional system to provide indigent health care should be offered throughout the region;

(2) examine whether there should be a mechanism for additional counties to participate in the regional health care

1 system; and

2 (3) perform a review of funding and financing options,
3 including a review of funding indigent health care in the region.

4 (e) The initial meeting of the committee must take place
5 before September 30, 2009. At the initial meeting the committee
6 shall:

7 (1) adopt rules governing the committee; and

8 (2) establish a work plan and schedule for future
9 meetings.

10 (f) The committee may accept gifts, grants, technical
11 support, or any other resources from any source to carry out the
12 functions of the committee.

13 (g) Not later than September 1, 2010, the committee shall
14 issue a report on indigent health care that summarizes:

15 (1) hearings conducted by the committee;

16 (2) studies conducted by the committee;

17 (3) any legislation proposed by the committee; and

18 (4) any other findings or recommendations of the
19 committee.

20 (h) Not later than December 1, 2010, the committee shall
21 submit a copy of the summary report to the governor, the lieutenant
22 governor, and the speaker of the house of representatives.

23 (i) This section expires September 1, 2011.

24 SECTION 2. Section 61.002, Health and Safety Code, is
25 amended by amending Subdivision (1) and adding Subdivision (4-a) to
26 read as follows:

27 (1) "Department" means the [~~Texas~~] Department of State

1 Health Services.

2 (4-a) "Executive commissioner" means the executive
3 commissioner of the Health and Human Services Commission.

4 SECTION 3. Section 61.003(f), Health and Safety Code, is
5 amended to read as follows:

6 (f) For purposes of this chapter, a person who is an inmate
7 or resident of a state school or institution operated by the
8 department, the Texas Department of Criminal Justice
9 [Corrections], the [Texas] Department of Aging and Disability
10 Services [Mental Health and Mental Retardation], the Texas Youth
11 Commission, the Texas School for the Blind and Visually Impaired,
12 the Texas School for the Deaf, or any other state agency or who is an
13 inmate, patient, or resident of a school or institution operated by
14 a federal agency is not considered a resident of a hospital district
15 or of any governmental entity except the state or federal
16 government.

17 SECTION 4. Section 61.004(h), Health and Safety Code, is
18 transferred to Section 61.003, Health and Safety Code, and
19 redesignated as Subsection (g) to read as follows:

20 (g) [~~(h)~~] Service may not be denied pending an
21 administrative or judicial review of residence.

22 SECTION 5. The heading to Section 61.004, Health and Safety
23 Code, is amended to read as follows:

24 Sec. 61.004. [RESIDENCE OR] ELIGIBILITY DISPUTE.

25 SECTION 6. Sections 61.004(a) and (d), Health and Safety
26 Code, are amended to read as follows:

27 (a) If a provider of assistance and a governmental entity or

1 hospital district cannot agree on [~~a person's residence or~~] whether
2 a person is eligible for assistance under this chapter, the
3 provider or the governmental entity or hospital district may submit
4 the matter to the department.

5 (d) From the information submitted, the department shall
6 determine [~~the person's residence or~~] whether the person is
7 eligible for assistance under this chapter [~~, as appropriate,~~] and
8 shall notify each governmental entity or hospital district and the
9 provider of assistance of the decision and the reasons for the
10 decision.

11 SECTION 7. Section 61.0045(b), Health and Safety Code, is
12 amended to read as follows:

13 (b) A county, hospital district, or public hospital that
14 receives information obtained under Subsection (a) shall use the
15 information to determine whether the patient to whom services were
16 provided is an eligible resident of the service area of the county,
17 hospital district, or public hospital and, if so, shall pay the
18 claim made by the provider in accordance with its liability for
19 payment for the services as described by Section 61.033 or 61.060
20 [~~this chapter~~].

21 SECTION 8. Sections 61.006(b) and (c), Health and Safety
22 Code, are amended to read as follows:

23 (b) The minimum eligibility standards must incorporate a
24 net income eligibility level equal to 25 [~~21~~] percent of the federal
25 poverty level based on the federal Office of Management and Budget
26 poverty index.

27 (c) The department shall also define the services and

1 establish the payment standards for the categories of services
2 listed in Sections 61.028(a) and 61.0285 in accordance with Health
3 and Human Services Commission [~~Texas Department of Human Services~~]
4 rules relating to the Temporary Assistance for Needy
5 Families-Medicaid program.

6 SECTION 9. Section 61.007, Health and Safety Code, is
7 amended to read as follows:

8 Sec. 61.007. INFORMATION PROVIDED BY APPLICANT. The
9 department by rule shall require each applicant to provide at least
10 the following information:

11 (1) the applicant's full name and address;

12 (2) the applicant's social security number, if
13 available;

14 (3) the number of persons in the applicant's
15 household, excluding persons receiving Temporary Assistance for
16 Needy Families, Supplemental Security Income, or Medicaid
17 benefits;

18 (4) the applicant's county of residence;

19 (5) the existence of insurance coverage or other
20 hospital or health care benefits for which the applicant is
21 eligible;

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

24 (7) the applicant's annual household income, excluding
25 the income of any household member receiving Temporary Assistance
26 for Needy Families, Supplemental Security Income, or Medicaid
27 benefits; and

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

4 SECTION 10. Section 61.008(a), Health and Safety Code, is
5 amended to read as follows:

6 (a) The executive commissioner [~~department~~] by rule shall
7 provide that in determining eligibility:

8 (1) a county may not consider the value of the
9 applicant's homestead;

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

13 (3) a county must subtract the work-related and
14 dependent [~~child~~] care expense [~~allowance~~] allowed under
15 department guidelines;

16 (4) a county must consider as a resource real property
17 other than a homestead and, except as provided by Subsection (b),
18 must count that property in determining eligibility; and

19 (5) transferral of countable resources may not be more
20 restrictive than the resource requirements for the Temporary
21 Assistance for Needy Families-Medicaid program [~~if an applicant~~
22 ~~transferred title to real property for less than market value to~~
23 ~~become eligible for assistance under this chapter, the county may~~
24 ~~not credit toward eligibility for state assistance an expenditure~~
25 ~~for that applicant made during a two-year period beginning on the~~
26 ~~date on which the property is transferred)].~~

27 SECTION 11. Section 61.009, Health and Safety Code, is

1 amended by amending Subsection (a) and adding Subsection (c) to
2 read as follows:

3 (a) The department shall establish uniform reporting
4 requirements for governmental entities that own, operate, or lease
5 public hospitals providing assistance under this chapter and for
6 counties and hospital districts.

7 (c) The reports must be sent to the department at least
8 annually.

9 SECTION 12. Subchapter B, Chapter 61, Health and Safety
10 Code, is amended by adding Section 61.0241 to read as follows:

11 Sec. 61.0241. REPORT TO DEPARTMENT OF ELIGIBILITY STANDARDS
12 AND APPLICATION PROCEDURE. Not later than the 30th day after the
13 beginning of the state fiscal year, a county shall submit to the
14 department:

15 (1) the eligibility standards that the county has
16 adopted under Section 61.023(d);

17 (2) the application procedures that the county has
18 specified that it will use under Section 61.024(c); and

19 (3) a statement of the total amount of county funds
20 expended for indigent health care services in the previous state
21 fiscal year.

22 SECTION 13. Section 61.025(b), Health and Safety Code, is
23 amended to read as follows:

24 (b) The transfer agreement may transfer partial
25 responsibility to the county under which the municipal hospital
26 continues to provide health care services to eligible residents of
27 the municipality, but the county agrees to assume the hospital's

1 responsibility to reimburse other providers who provide:

2 (1) basic [~~mandatory~~] inpatient or outpatient
3 services to eligible residents that the municipal hospital cannot
4 provide; or

5 (2) emergency services to eligible residents.

6 SECTION 14. Sections 61.0285(a) and (b), Health and Safety
7 Code, are amended to read as follows:

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

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

1 (12) any other appropriate health care service
2 identified by [~~board~~] rule that may be determined to be
3 cost-effective.

4 (b) A county must notify the department of the county's
5 intent to provide services specified by Subsection (a). The [~~If the~~
6 ~~services are approved by the department under Section 61.006, or if~~
7 ~~the department fails to notify the county of the department's~~
8 ~~disapproval before the 31st day after the date the county notifies~~
9 ~~the department of its intent to provide the services, the~~] county
10 may credit the services toward eligibility for state assistance
11 under this subchapter.

12 SECTION 15. Section 61.032(e), Health and Safety Code, is
13 amended to read as follows:

14 (e) If the county and the provider disagree on the patient's
15 [~~residence or~~] eligibility, the county or the provider may submit
16 the matter to the department as provided by Section 61.004.

17 SECTION 16. Section 61.035, Health and Safety Code, is
18 amended to read as follows:

19 Sec. 61.035. LIMITATION OF COUNTY LIABILITY. The maximum
20 county liability for each state fiscal year for health care
21 services provided by all assistance providers, including a hospital
22 and a skilled nursing facility, to each eligible county resident
23 is:

- 24 (1) \$35,000 [~~\$30,000~~]; or
25 (2) the payment of 30 days of hospitalization or
26 treatment in a skilled nursing facility, or both, or \$35,000
27 [~~\$30,000~~], whichever occurs first, if the county provides hospital

1 or skilled nursing facility services to the resident.

2 SECTION 17. Section 61.042(a), Health and Safety Code, is
3 amended to read as follows:

4 (a) A county may establish procedures consistent with those
5 used by the Health and Human Services Commission [~~Texas Department~~
6 ~~of Human Services~~] under Chapter 31, Human Resources Code, for
7 administering an employment services program and requiring an
8 applicant or eligible resident to register for work with the Texas
9 Workforce [~~Employment~~] Commission.

10 SECTION 18. Section 61.066, Health and Safety Code, is
11 amended to read as follows:

12 Sec. 61.066. PREVENTION AND DETECTION OF FRAUD. (a) A
13 hospital district or public hospital may adopt reasonable
14 procedures for minimizing the opportunity for fraud, for
15 establishing and maintaining methods for detecting and identifying
16 situations in which a question of fraud may exist, and for
17 administrative hearings to be conducted on disqualifying persons in
18 cases where fraud appears to exist.

19 (b) Procedures established by a hospital district or public
20 hospital for administrative hearings conducted under this section
21 shall provide for appropriate due process, including procedures for
22 appeals.

23 SECTION 19. Section 61.023(c), Health and Safety Code, is
24 repealed.

25 SECTION 20. Notwithstanding Section 61.025(e), Health and
26 Safety Code, a county and municipality may amend an agreement under
27 Section 61.025, Health and Safety Code, to conform to changes in law

1 made by this Act to Section 61.025(b), Health and Safety Code.

2 SECTION 21. The changes in law made by this Act to Sections
3 61.006(b), 61.007, and 61.008, Health and Safety Code, apply only
4 to:

5 (1) an application for health care services filed on
6 or after the effective date of this Act; or

7 (2) an application for health care services filed
8 before the effective date of this Act with regard to which a final
9 determination of eligibility has not been made before that date.

10 SECTION 22. This Act takes effect September 1, 2009.