

By: Nelson

S.B. No. 2032

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to hospitals' submission of uncompensated hospital care  
3 data and hospital audits related to federal funding provided for  
4 that care.

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

6 SECTION 1. The heading to Section 531.551, Government Code,  
7 is amended to read as follows:

8 Sec. 531.551. UNCOMPENSATED HOSPITAL CARE REPORTING AND  
9 ANALYSIS; HOSPITAL AUDIT FEE.

10 SECTION 2. Section 531.551, Government Code, is amended by  
11 amending Subsections (a) and (d) and adding Subsections (a-1),  
12 (a-2), and (m) to read as follows:

13 (a) Using data submitted to the Department of State Health  
14 Services under Subsection (a-1), the [~~The~~] executive commissioner  
15 shall adopt rules providing for:

16 (1) a standard definition of "uncompensated hospital  
17 care" that reflects unpaid costs incurred by hospitals and accounts  
18 for actual hospital costs and hospital charges and revenue sources;

19 (2) a methodology to be used by hospitals in this state  
20 to compute the cost of that care that incorporates the standard set  
21 of adjustments described by Section 531.552(g)(4); and

22 (3) procedures to be used by those hospitals to report  
23 the cost of that care to the commission and to analyze that cost.

24 (a-1) To assist the executive commissioner in adopting and

1 amending the rules required by Subsection (a), the Department of  
2 State Health Services shall require each hospital in this state to  
3 provide to the department, not later than a date specified by the  
4 department, uncompensated hospital care data prescribed by the  
5 commission. Each hospital must submit complete and adequate data,  
6 as determined by the department, not later than the specified date.

7 (a-2) The Department of State Health Services shall notify  
8 the commission of each hospital in this state that fails to submit  
9 complete and adequate data required by the department under  
10 Subsection (a-1) on or before the date specified by the department.  
11 Notwithstanding any other law and to the extent allowed by federal  
12 law, the commission may withhold Medicaid program reimbursements  
13 owed to the hospital until the hospital complies with the  
14 requirement.

15 (d) If the commission determines through the procedures  
16 adopted under Subsection (b) that a hospital submitted a report  
17 described by Subsection (a)(3) with incomplete or inaccurate  
18 information, the commission shall notify the hospital of the  
19 specific information the hospital must submit and prescribe a date  
20 by which the hospital must provide that information. If the  
21 hospital fails to submit the specified information on or before the  
22 date prescribed by the commission, the commission shall notify the  
23 attorney general of that failure. On receipt of the notice, the  
24 attorney general shall impose an administrative penalty on the  
25 hospital in an amount not to exceed \$10,000. In determining the  
26 amount of the penalty to be imposed, the attorney general shall  
27 consider:

- 1           (1) the seriousness of the violation;
- 2           (2) whether the hospital had previously committed a  
3 violation; and
- 4           (3) the amount necessary to deter the hospital from  
5 committing future violations.

6           (m) The commission may require each hospital that is  
7 required under 42 C.F.R. Section 455.304 to be audited to pay a fee  
8 in an amount equal to the costs incurred in conducting the audit.

9           SECTION 3. As soon as possible after the date the Department  
10 of State Health Services requires each hospital in this state to  
11 initially submit uncompensated hospital care data under Section  
12 531.551(a-1), Government Code, as added by this Act, the executive  
13 commissioner of the Health and Human Services Commission shall  
14 adopt rules or amendments to existing rules that conform to the  
15 requirements of Section 531.551(a), Government Code, as amended by  
16 this Act.

17           SECTION 4. If before implementing any provision of this Act  
18 a state agency determines that a waiver or authorization from a  
19 federal agency is necessary for implementation of that provision,  
20 the agency affected by the provision shall request the waiver or  
21 authorization and may delay implementing that provision until the  
22 waiver or authorization is granted.

23           SECTION 5. This Act takes effect September 1, 2009.