

Amend CSSB 7 (house committee printing) in SECTION 1.12 of the bill (page 38, line 1, through page 59, line 22) by adding the following appropriately lettered subsection to the SECTION and relettering subsequent subsections of the SECTION accordingly:

(\_\_\_\_)(1) In converting the hospital reimbursement systems used under the medical assistance program under Chapter 32, Human Resources Code, to the diagnosis-related groups (DRG) methodology to the extent possible as required by Section 536.005, Government Code, as added by this section, and in any rebasing of the hospital reimbursement rates using a methodology based on a statewide standard dollar amount (SDA), the executive commissioner of the Health and Human Services Commission shall adopt reasonable reimbursement rate maximums and may adopt reasonable reimbursement rate minimums for the state fiscal biennium ending August 31, 2013, that ensure that:

(A) each hospital in this state that participates in the medical assistance program, other than a hospital that received a reimbursement rate in the state fiscal year ending August 31, 2011, that exceeds the rate maximum adopted by the executive commissioner under this subsection for the state fiscal biennium ending August 31, 2013, does not experience a decrease of more than 10 percent in the highest reimbursement rate received by the hospital during the state fiscal year ending August 31, 2011; and

(B) hospital reimbursement rates are sufficient to encourage enough hospitals to participate in the medical assistance program to ensure that services are available to recipients under the program at least to the extent those services are available to the general public.

(2) Notwithstanding Subdivision (1)(A) of this subsection, the executive commissioner of the Health and Human Services Commission may adopt reimbursement rates that result in a decrease in rates that exceeds the limitation prescribed by that provision if the commission determines that those rates are necessary to provide services within the amounts appropriated in the General Appropriations Act and other appropriations acts.