

BILL ANALYSIS

H.B. 2722
By: Perry
Public Health
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Under federal law, the Medicaid program is intended to be the payor of last resort. This means that all available third party resources must meet their legal obligation to pay claims before the Medicaid program pays for the care of an eligible individual. Some nursing homes are prorating all non-Medicaid sources, so that Medicaid is paying a portion of the patient's care from day one. If the patient leaves the nursing home before the end of the month and without exhausting other pay sources, then Medicaid has funded a disproportionate part of the care.

H.B. 2722 seeks to reinforce federal law through Health and Human Services Commission rules to ensure that the Medicaid program is the payor of last resort.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 1 of this bill.

ANALYSIS

H.B. 2722 amends the Human Resources Code to require the executive commissioner of the Health and Human Services Commission to adopt rules ensuring, to the extent allowed by federal law, that the Medicaid program is the payor of last resort and provides reimbursement for services, including long-term care services, only if other adequate public or private sources of payment are not available. The bill requires a state agency that is affected by a provision of the bill to request a federal waiver or authorization if the agency determines that a waiver or authorization is necessary for the implementation of the provision, and it authorizes the agency to delay implementation until the federal waiver or authorization is obtained.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.