

## **BILL ANALYSIS**

Senate Research Center

S.B. 872  
By: Deuell  
Health & Human Services  
7/18/2013  
Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Health care for indigent Texas residents is provided and paid for under the Indigent Health Care and Treatment Act (Chapter 61, Health and Safety Code). Counties are responsible for the payment of health care for indigent persons not residing in the service area of a public hospital or hospital district. A county is eligible for state assistance in paying for indigent health care after the county spends in a state fiscal year at least eight percent of the county general revenue levy for that year to provide health care to eligible county residents.

The state has been granted 1115 waiver for a demonstration project to expand services for Medicaid patients in Texas. Under the 1115 demonstration waiver program, many counties are making intergovernmental transfers of funds to the state, to be used to draw matching federal dollars for Medicaid services.

S.B. 872 amends current law relating to county expenditures for certain health care services.

[**Note:** While the statutory reference in this bill is to the Texas Department of Health (TDH), the following amendments affect the Department of State Health Services, as the successor agency to TDH.]

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 61.036, Health and Safety Code, by adding Subsections (d) and (e), as follows:

(d) Authorizes a county to credit an intergovernmental transfer to the state toward eligibility for state assistance if the transfer was made to provide health care services as part of the Texas Healthcare Transformation and Quality Improvement Program waiver issued under 42 U.S.C. Section 1315, regardless of the application, documentation, and verification procedures or eligibility standards established by the Texas Department of Health (TDH) under Subchapter A (General Provisions).

(e) Authorizes a county to credit toward eligibility for state assistance intergovernmental transfers made under Subsection (d) that in the aggregate do not exceed four percent of the county's general revenue levy in any state fiscal year, provided:

(1) the commissioners court determines that the expenditure fulfills the county's obligations to provide indigent health care under this chapter;

(2) the commissioners court determines that the amount of care available through participation in the waiver is sufficient in type and amount to meet the requirements of this chapter; and

(3) the county receives periodic reports from health care providers that receive supplemental or incentive payments under the Texas Healthcare Transformation and Quality Improvement Program waiver that document the number and types of services provided to persons who are eligible to receive services under this chapter.

SECTION 2. Requires the Department of State Health Services (DSHS), not later than December 1, 2014, to submit a report to the governor, the lieutenant governor, and the speaker of the house of representatives on the effects of the provisions of this Act on services rendered to eligible residents under Chapter 61 (Indigent Health Care and Treatment Act), Health and Safety Code.

SECTION 3. (a) Provides that the change in law made by this Act to Section 61.036, Health and Safety Code, applies only to state assistance for health care services under Chapter 61, Health and Safety Code, as amended by this Act, that are delivered on or after the effective date of this Act.

(b) Provides that state assistance for health care services under Chapter 61, Health and Safety Code, that are delivered before the effective date of this Act is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 4. Effective date: upon passage or September 1, 2013.