

## **BILL ANALYSIS**

C.S.S.B. 872  
By: Deuell  
County Affairs  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Under the Indigent Health Care and Treatment Act, certain counties are required to provide certain medical services for eligible indigent county residents. The county may be eligible for state assistance if such expenditures exceed a certain percentage of the county's general revenue levy in a state fiscal year. Through a federal waiver to expand Medicaid services, counties are authorized to make intergovernmental transfers for purposes of receiving federal matching funds for those expanded services. C.S.S.B. 872 seeks to amend current law relating to expenditures for indigent health care.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

Section 531.0055, Government Code, as amended by Chapter 198 (H.B. 2292), Acts of the 78th Legislature, Regular Session, 2003, expressly grants to the executive commissioner of the Health and Human Services Commission all rulemaking authority for the operation of and provision of services by the health and human services agencies. Similarly, Sections 1.16-1.29, Chapter 198 (H.B. 2292), Acts of the 78th Legislature, Regular Session, 2003, provide for the transfer of a power, duty, function, program, or activity from a health and human services agency abolished by that act to the corresponding legacy agency. To the extent practical, this bill analysis is written to reflect any transfer of rulemaking authority and to update references as necessary to an agency's authority with respect to a particular health and human services program.

C.S.S.B. 872 amends the Health and Safety Code to authorize a county, regardless of the application, documentation, and verification procedures or eligibility standards established by the executive commissioner of the Health and Human Services Commission under general provisions of the Indigent Health Care and Treatment Act, 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 applicable federal law. The bill authorizes a county to credit toward eligibility for state assistance such intergovernmental transfers that in the aggregate do not exceed four percent of the county's general revenue levy in any state fiscal year, provided the commissioners court determines that the expenditure fulfills the county's obligations to provide indigent health care under the Indigent Health Care and Treatment Act; 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 that act; and 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 that act.

C.S.S.B. 872 requires the Department of State Health Services, 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 bill's provisions on services rendered to eligible residents under the Indigent Health Care and Treatment Act.

**EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.

**COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.S.B. 872 may differ from the engrossed version in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the engrossed and committee substitute versions of the bill.

SENATE ENGROSSED

SECTION 1. Section 61.035, Health and Safety Code, is amended to read as follows:  
Sec. 61.035. LIMITATION OF COUNTY LIABILITY. (a) The maximum county liability for each state fiscal year for health care services provided by all assistance providers, including a hospital and a skilled nursing facility, to each eligible county resident is:

- (1) \$30,000; or
- (2) the payment of 30 days of hospitalization or treatment in a skilled nursing facility, or both, or \$30,000, whichever occurs first, if the county provides hospital or skilled nursing facility services to the resident.

(b) The maximum county liability for each state fiscal year is eight percent of the county general revenue levy for that year on:

- (1) services provided to an eligible resident as described in Sections 61.028 and 61.0285; or
- (2) up to four percent of a county's general revenue levy may be credited as described in Section 61.036(d) or (e).

SECTION 2. Section 61.036, Health and Safety Code, is amended by adding Subsections (d) and (e) to read as follows:

(d) Notwithstanding any other provision of this subchapter, and regardless of the application, documentation, and verification procedures or eligibility standards established by the department under Subchapter A, a county may credit up to four percent of the county's general revenue levy as an expenditure toward the limitation

HOUSE COMMITTEE SUBSTITUTE

No equivalent provision.

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

(d) Regardless of the application, documentation, and verification procedures or eligibility standards established by the department under Subchapter A, a county may 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

of a county's liability per state fiscal year any intergovernmental transfer to the state made as part of a demonstration waiver program or other waiver program under 42 U.S.C. Section 1315 or 42 U.S.C. Section 1396n to provide health care under the terms of the waiver program.

(e) Notwithstanding any other provision of this subchapter, and regardless of the application, documentation, and verification procedures or eligibility standards established by the department under Subchapter A, a county may credit up to four percent of the county's general revenue levy as an expenditure toward the limitation of a county's liability per state fiscal year any intergovernmental transfer by a county to the state as part of the state plan for disproportionate share hospitals under 42 U.S.C. Section 1396r-4 or 1 T.A.C. Section 355.8065 et seq.

No equivalent provision.

No equivalent provision.

Texas Healthcare Transformation and Quality Improvement Program waiver issued under 42 U.S.C. Section 1315.

(e) A county may 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.

No equivalent provision.

SECTION 2. Not later than December 1, 2014, the Department of State Health Services shall 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, Health and Safety Code.

SECTION 3. (a) 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) 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 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

SECTION 4. Same as engrossed version.