

## **BILL ANALYSIS**

Senate Research Center

C.S.S.B. 872  
By: Deuell  
Health & Human Services  
4/10/2013  
Committee Report (Substituted)

### **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.

C.S.S.B. 872 amends current law relating to expenditures for indigent health care.

[**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 61.035, Health and Safety Code, by adding Subsection (b), as follows:

Sec. 61.035. **LIMITATION OF COUNTY LIABILITY.** (a) Creates this subsection from existing text. Provides that 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 \$30,000, or 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) Provides that 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 Section 61.028 (Basic Health Care Services) and Section 61.0285 (Optional Health Care Services); 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. Amends Section 61.036, Health and Safety Code, by adding Subsections (d) and (e), as follows:

(d) Authorizes a county, notwithstanding any other provision of this subchapter, regardless of the application, documentation, and verification procedures or eligibility standards established by the Texas Department of Health (TDH) under Subchapter A (General Provisions), to 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 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) Authorizes a county, notwithstanding any other provisions of this subchapter, and regardless of the application, documentation, and verification procedures or eligibility standards established by TDH under Subchapter A, to 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 Title 1 (Administration), Texas Administrative Code, Section 355.8065 (Disproportionate Share Hospital Reimbursement Methodology) et seq.

SECTION 3. Effective date: upon passage or September 1, 2013.