

## **BILL ANALYSIS**

C.S.S.B. 1623  
By: Hinojosa  
Public Health  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Recent legislation provided for the creation of health care funding districts to support the local health care safety nets in certain counties along the Texas-Mexico border. Interested parties contend that concerns from the Centers for Medicare & Medicaid Services have kept the districts from being fully developed. C.S.S.B. 1623 seeks to address these concerns in an effort to allow a certain amount of local control over funding for health care services by these districts.

### **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**

C.S.S.B. 1623 amends the Health and Safety Code to specify that a health care funding district may be created in certain counties located on the Texas-Mexico border by order of the commissioners court of each applicable county. The bill expands the counties located on the Texas-Mexico border in which such a district may be created to include a border county that has a population of 350,000 or more that is adjacent to a county with a population of 500,000 or more that is adjacent to two or more counties each of which has a population of 50,000 or more, and a border county with a population of less than 300,000 that contains one or more municipalities with a population of 200,000 or more.

C.S.S.B. 1623 provides for the dissolution of a district in the manner provided for the dissolution of a hospital district. The bill establishes that all districts are abolished and statutory provisions relating to health care funding districts in certain counties located on the Texas-Mexico border expire on December 31, 2016. The bill requires the commissioners court of a county in which a district is created to refund to each paying hospital the proportionate share of any money remaining in the local provider participation fund created by the district under the bill's provisions at the time the district is abolished. The bill repeals provisions relating to the duration of a district and establishing that a district is a political subdivision of this state.

C.S.S.B. 1623 establishes that each health care funding district is governed by a commission consisting of the commissioners court of the county in which the district is created, rather than a commission consisting of five members appointed by each county commissioner on the commissioners court of the county in which the district is located and by the county judge of the county. The bill specifies that service on the commission by a county commissioner or county judge is an additional duty of that person's office and that a district is a component of county government and is not a separate political subdivision of this state.

C.S.S.B. 1623 removes provisions authorizing a district to impose a tax and instead authorizes each district to require a mandatory payment. The bill removes provisions requiring the commission of a district to annually prepare a budget for the following fiscal year and instead requires the commission to annually hold a public hearing on the amounts of any mandatory

payments that the commission intends to require during the year and how the revenue derived from those payments is to be spent. The bill establishes that a representative of a paying hospital is entitled to appear at the time and place designated in the public notice and to be heard regarding any matter related to the mandatory payments required by the district and defines "paying hospital" as an institutional health care provider required to make a mandatory payment by a district.

C.S.S.B. 1623 requires each district to create a local provider participation fund consisting of all revenue from mandatory payments, including any penalties and interest attributable to delinquent payments; money received from the Health and Human Services Commission (HHSC) as a refund of an intergovernmental transfer from the district to the state for the purpose of providing the nonfederal share of Medicaid supplemental payment program payments, provided that the intergovernmental transfer does not receive a federal matching payment; and the earnings of the fund. The bill restricts the use of money deposited to the local provider participation fund to funding intergovernmental transfers from the district to the state to provide the nonfederal share of a Medicaid supplemental payment program authorized under the state Medicaid plan, the Texas Healthcare Transformation and Quality Improvement Program waiver issued under the federal Social Security Act, or a successor waiver program authorizing similar Medicaid supplemental programs; subsidizing indigent programs; paying the administrative expenses of the district; refunding a portion of a mandatory payment collected in error from a paying hospital; and refunding to paying hospitals the proportionate share of the money received by the district from HHSC that is not used to fund the nonfederal share of Medicaid supplemental payment program payments. The bill prohibits money in the local provider participation fund from being commingled with other county funds.

C.S.S.B. 1623 prohibits an intergovernmental transfer of funds and any funds received by the district as a result of an intergovernmental transfer from being used by the district, the county in which the district is located, or any other entity to expand Medicaid eligibility under the federal Patient Protection and Affordable Care Act as amended by the Health Care and Education Reconciliation Act of 2010. The bill requires the district, not later than the 15th day after the date the district receives a proportionate refund of money that is not used to fund the nonfederal share of Medicaid supplemental payment program payments, to transfer to each paying hospital an amount equal to the proportionate share of those funds to which the hospital is entitled.

C.S.S.B. 1623 authorizes the commission of a district to require an annual mandatory payment to be assessed quarterly on the net patient revenue of an institutional health care provider located in the district, rather than on all outpatient hospital visits to such a provider, and establishes that, in the first year in which the mandatory payment is required, the mandatory payment is assessed on the net patient revenue of an institutional health care provider as determined by the data reported to the Department of State Health Services (DSHS) in the fiscal year ending in 2010, rather than 2003. The bill requires the district to update the amount of the mandatory payment on a biennial basis and requires the amount of the mandatory payment to be proportionate with the amount of net patient revenue generated by a paying hospital.

C.S.S.B. 1623 requires the commission of a district to set the amount of the mandatory payment required and caps the amount of the mandatory payment required of each paying hospital at an amount that, when added to the amount of the mandatory payments required from all other paying hospitals in the district, equals an amount of revenue that exceeds six percent of the aggregate net patient revenue of all paying hospitals in the district. The bill sets out the tax assessor-collector's duties relating to the mandatory payments.

C.S.S.B. 1623 requires revenue from the mandatory payment to be deposited in the district's local provider participation fund. The bill repeals statutory provisions relating to a required election for certain expenditures by a district, to a requirement that a district adopt necessary procedures to implement certain requirements of the district, to purchasing and accounting procedures, to a district's authority to sue and be sued, to an annual audit of a district, and to a

required election to amend certain provisions or procedures regarding the district.

C.S.S.B. 1623 repeals the following provisions of the Health and Safety Code:

- Section 288.003
- Section 288.004
- Section 288.051(b)
- Section 288.052
- Section 288.053
- Section 288.054
- Section 288.055
- Section 288.056
- Section 288.057
- Section 288.058
- Section 288.103
- Section 288.104(b)
- Section 288.105
- Section 288.107
- Section 288.153
- Section 288.206

**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. 1623 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**

**HOUSE COMMITTEE SUBSTITUTE**

SECTION 1. The heading to Chapter 288, Health and Safety Code, is amended.

SECTION 1. Same as engrossed version.

SECTION 2. Subdivision (3), Section 288.001, Health and Safety Code, is amended to read as follows:

SECTION 2. Sections 288.001(2) and (3), Health and Safety Code, are amended to read as follows:

(3) "District taxpayer" means an institutional health care provider required to pay the ~~[a person or entity who has paid a~~ tax imposed ~~by~~ [under] this chapter.

(2) "District" means a county health care funding district created under ~~[by]~~ this chapter.

(3) "Paying hospital ~~[District taxpayer]"~~ means an institutional health care provider required to make a mandatory payment ~~[a person or entity who has paid a tax imposed]~~

SECTION 3. Section 288.002, Health and Safety Code, is amended to read as follows:  
Sec. 288.002. CREATION OF DISTRICT.  
A district is created in each county located on the Texas-Mexico border that has a population of:

- (1) 500,000 or more and is adjacent to two or more counties each of which has a population of 50,000 or more;
- (2) 350,000 or more and is adjacent to a county described by Subdivision (1); or
- (3) less than 300,000 and contains one or more municipalities with a population of 200,000 or more.

SECTION 4. Subchapter A, Chapter 288, Health and Safety Code, is amended by adding Section 288.0031 to read as follows:  
Sec. 288.0031. DISSOLUTION.

No equivalent provision.

No equivalent provision.

SECTION 5. Section 288.051, Health and Safety Code, is amended to read as follows:  
Sec. 288.051. COMMISSION[; APPOINTMENT].  
(a) Each district is governed by a commission of five members [~~appointed as provided by this section~~].

under this chapter.

SECTION 3. Section 288.002, Health and Safety Code, is amended to read as follows:  
Sec. 288.002. CREATION OF DISTRICT.  
A district ~~may be [is]~~ created ~~by order of the commissioners court of [it]~~ each county located on the Texas-Mexico border that has a population of:

- (1) 500,000 or more and is adjacent to two or more counties each of which has a population of 50,000 or more;
- (2) 350,000 or more and is adjacent to a county described by Subdivision (1); or
- (3) less than 300,000 and contains one or more municipalities with a population of 200,000 or more.

SECTION 4. Subchapter A, Chapter 288, Health and Safety Code, is amended by adding Sections 288.0031 and 288.0032 to read as follows:  
Sec. 288.0031. DISSOLUTION.

Sec. 288.0032. EXPIRATION OF CHAPTER; DISTRIBUTION OF FUNDS ON EXPIRATION. (a) A district created under this chapter is abolished and this chapter expires on December 31, 2016.  
(b) The commissioners court of a county in which a district is created shall refund to each paying hospital the proportionate share of any money remaining in the local provider participation fund created by the district under Section 288.155 at the time the district is abolished.

SECTION 5. The heading to Section 288.051, Health and Safety Code, is amended to read as follows:  
Sec. 288.051. COMMISSION; DISTRICT GOVERNANCE [~~APPOINTMENT~~].

SECTION 6. Section 288.051, Health and Safety Code, is amended by amending Subsection (a) and adding Subsections (c) and (d) to read as follows:  
(a) Each district ~~created under Section 288.002~~ is governed by a commission consisting of the commissioners court of the county in which the district is created [~~of five~~].

~~members appointed as provided by this section].~~

*(Repealed in SECTION 19, below.)*

(b) Each county commissioner on the commissioners court of the county in which the district is located serves as a member of ~~[shall appoint one member who meets the qualifications prescribed by Section 288.052 to serve on]~~ the commission. The county judge of the county in which the district is located serves as a member of ~~[shall appoint any remaining members who meet the qualifications prescribed by Section 288.052 to serve on]~~ the commission.

(c) Service on the commission by a county commissioner or county judge is an additional duty of that person's office.

(c) Service on the commission by a county commissioner or county judge is an additional duty of that person's office.

(d) A district is a component of county government and is not a separate political subdivision of this state.

No equivalent provision.

SECTION 7. Section 288.101, Health and Safety Code, is amended to read as follows:  
Sec. 288.101. LIMITATION ON [TAXING] AUTHORITY TO REQUIRE MANDATORY PAYMENT. Each district may require a mandatory payment ~~[impose taxes]~~ only in the manner provided by this chapter.

SECTION 6. Subsection (a), Section 288.102, Health and Safety Code, is amended to read as follows:

SECTION 8. Section 288.102, Health and Safety Code, is amended to read as follows:  
Sec. 288.102. MAJORITY VOTE REQUIRED.

(a) A district may not impose any tax authorized by this chapter ~~[, spend any money, including for the administrative expenses of the district, or conduct any other business of the commission]~~ without an affirmative vote of a majority of the members of the commission.

(a) A district may not require [impose] any mandatory payment [tax] authorized by this chapter, ~~spend any money, including for the administrative expenses of the district, or conduct any other business of the commission~~ without an affirmative vote of a majority of the members of the commission.

No equivalent provision.

(b) Before requiring a mandatory payment ~~[imposing a tax]~~ under this chapter in any one year, the commission must obtain the affirmative vote required by Subsection (a).

No equivalent provision.

SECTION 9. Section 288.104(a), Health and Safety Code, is amended to read as follows:

SECTION 7. Section 288.151, Health and Safety Code, is amended to read as follows: Sec. 288.151. HEARING [BUDGET]. (a) Each year, the commission shall hold a public hearing on [prepare a budget for the following fiscal year that includes:

[1) ~~proposed expenditures and disbursements;~~

[2) ~~estimated receipts and collections; and~~

[3) the ~~rates and~~ amounts of any ~~taxes~~ that the commission intends to ~~impose~~ during the year and how the revenue derived from those ~~taxes~~ is to be spent.

(b) ~~[The commission shall hold a public hearing on the proposed budget.]~~ Not later than the 10th day before the date of the hearing, the commission shall publish at least once notice of the hearing in a newspaper of general circulation in the county in which the district is located.

(c) Any district taxpayer is entitled to appear at the time and place designated in the public notice and to be heard regarding any matter related to the ~~taxes imposed~~ by the district ~~[item shown in the proposed budget]~~.

SECTION 8. Subsection (b), Section 288.154, Health and Safety Code, is amended to read as follows:

(b) All income received by a district, including ~~tax~~ revenue after deducting discounts and fees for assessing and collecting the ~~taxes~~, shall be deposited with the district depository as provided by Section 288.203 and may be withdrawn only as provided by this chapter.

SECTION 9. Subchapter D, Chapter 288, Health and Safety Code, is amended by adding Sections 288.155 and 288.156 to read as follows:

Sec. 288.155. LOCAL PROVIDER

(a) The commission may adopt rules governing the operation of the district, including rules relating to the administration of a mandatory payment ~~[tax]~~ authorized by this chapter.

SECTION 10. Section 288.151, Health and Safety Code, is amended to read as follows:

Sec. 288.151. HEARING [BUDGET]. (a) Each year, the commission of a district shall hold a public hearing on [prepare a budget for the following fiscal year that includes:

[1) ~~proposed expenditures and disbursements;~~

[2) ~~estimated receipts and collections; and~~

[3) the ~~rates and~~ amounts of any ~~mandatory payments ~~[taxes]~~~~ that the commission intends to ~~require ~~[impose]~~~~ during the year and how the revenue derived from those ~~payments~~ is to be spent.

(b) ~~[The commission shall hold a public hearing on the proposed budget.]~~ Not later than the 10th day before the date of the hearing, the commission shall publish at least once notice of the hearing in a newspaper of general circulation in the county in which the district is located.

(c) A representative of a paying hospital ~~[Any district taxpayer]~~ is entitled to appear at the time and place designated in the public notice and to be heard regarding any matter related to the ~~mandatory payments required~~ by the district ~~under this chapter~~ ~~[item shown in the proposed budget]~~.

SECTION 11. Section 288.154(b), Health and Safety Code, is amended to read as follows:

(b) All income received by a district, including the ~~[tax]~~ revenue ~~from mandatory payments remaining~~ after ~~[deducting]~~ discounts and fees for assessing and collecting the payments are deducted ~~[taxes]~~, shall be deposited with the district depository as provided by Section 288.203 and may be withdrawn only as provided by this chapter.

SECTION 12. Subchapter D, Chapter 288, Health and Safety Code, is amended by adding Sections 288.155 and 288.156 to read as follows:

Sec. 288.155. LOCAL PROVIDER

PARTICIPATION FUND; AUTHORIZED USES OF MONEY. (a) Each district shall create a local provider participation fund.

(b) The local provider participation fund consists of:

(1) all revenue from the tax imposed by this chapter, including any penalties and interest from delinquent taxes;

(2) money received from the Health and Human Services Commission as a refund of an intergovernmental transfer from the district to the state for the purpose of providing the nonfederal share of Medicaid supplemental payment program payments, provided that the intergovernmental transfer does not receive a federal matching payment; and

(3) the earnings of the fund.

(c) Money deposited to the local provider participation fund may be used only to:

(1) provide the nonfederal share of a Medicaid supplemental payment program;

(2) subsidize indigent programs;

(3) pay the administrative expenses of the district;

(4) refund an amount of tax collected in error from a district taxpayer; and

(5) refund to district taxpayers the proportionate share of the money received by the district from the Health and Human Services Commission that is not used to fund the nonfederal share of Medicaid supplemental payment program payments.

(d) Money in the local provider participation fund may not be used to expand Medicaid eligibility.

PARTICIPATION FUND; AUTHORIZED USES OF MONEY. (a) Each district shall create a local provider participation fund.

(b) The local provider participation fund consists of:

(1) all revenue from the mandatory payment required by this chapter, including any penalties and interest attributable to delinquent payments;

(2) money received from the Health and Human Services Commission as a refund of an intergovernmental transfer from the district to the state for the purpose of providing the nonfederal share of Medicaid supplemental payment program payments, provided that the intergovernmental transfer does not receive a federal matching payment; and

(3) the earnings of the fund.

(c) Money deposited to the local provider participation fund may be used only to:

(1) fund intergovernmental transfers from the district to the state to provide the nonfederal share of a Medicaid supplemental payment program authorized under the state Medicaid plan, the Texas Healthcare Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315), or a successor waiver program authorizing similar Medicaid supplemental payment programs;

(2) subsidize indigent programs;

(3) pay the administrative expenses of the district;

(4) refund a portion of a mandatory payment collected in error from a paying hospital; and

(5) refund to paying hospitals the proportionate share of the money received by the district from the Health and Human Services Commission that is not used to fund the nonfederal share of Medicaid supplemental payment program payments.

(e) An intergovernmental transfer of funds described by Subsection (c)(1) and any funds received by the district as a result of an intergovernmental transfer described by that subdivision may not be used by the district, the county in which the district is located, or any other entity to expand Medicaid eligibility under the Patient Protection and Affordable Care Act (Pub. L. No. 111-148) as amended by the Health Care and

Education Reconciliation Act of 2010 (Pub. L. No. 111-152).

No equivalent provision.

(d) Money in the local provider participation fund may not be commingled with other county funds.

No equivalent provision.

(e) A local provider participation fund created under this section shall be abolished on the expiration of a waiver under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315) in connection with the fund.

Sec. 288.156. ALLOCATION OF CERTAIN FUNDS.

Sec. 288.156. ALLOCATION OF CERTAIN FUNDS.

No equivalent provision.

SECTION 13. The heading to Subchapter E, Chapter 288, Health and Safety Code, is amended to read as follows:

SUBCHAPTER E. MANDATORY PAYMENTS [TAXES]

SECTION 10. Subsections (a) and (c), Section 288.201, Health and Safety Code, are amended to read as follows:

SECTION 14. Section 288.201, Health and Safety Code, is amended to read as follows:

Sec. 288.201. MANDATORY PAYMENT BASED [TAX] ON [OUTPATIENT] HOSPITAL NET PATIENT REVENUE [SERVICES].

(a) The commission of a district may impose an annual tax to be assessed quarterly on all outpatient hospital visits to an institutional health care provider located in the district. In the first year in which the tax is imposed, the tax is assessed on the total number of outpatient hospital visits of an institutional health care provider reported to the Department of State Health Services under Sections 311.032 and 311.033 in the fiscal year ending in 2010 [2003]. The district shall update this tax basis with the number of outpatient hospital visits reported on a biennial basis.

(a) Except as provided by Subsection (e), the [The] commission of a district may require [impose] an annual mandatory payment [tax] to be assessed quarterly on the net patient revenue of [all outpatient hospital visits to] an institutional health care provider located in the district. In the first year in which the mandatory payment [tax] is required [imposed], the mandatory payment [tax] is assessed on the net patient revenue [total number of outpatient hospital visits] of an institutional health care provider as determined by the data reported to the Department of State Health Services under Sections 311.032 and 311.033 in the fiscal year ending in 2010 [2003]. The district shall update the amount of the mandatory payment [this tax basis with the number of outpatient hospital visits reported] on a biennial basis.

No equivalent provision.

(b) The amount of a mandatory payment required under this chapter must be proportionate with the amount of net patient



revenue generated by a paying hospital. ~~A tax imposed under this section must be imposed uniformly on each institutional health care provider of outpatient hospital services located in the district.~~ A mandatory payment required ~~[tax imposed]~~ under this section ~~[also]~~ may not hold harmless any institutional health care provider ~~[of outpatient hospital services]~~, as required under 42 U.S.C. Section 1396b(w).

(c) The commission shall set the rate of the tax imposed under this section. The rate may not exceed the lesser of:

- (1) \$100 for each outpatient hospital visit;
- or
- (2) six percent of the aggregate net patient revenue of all district taxpayers in the district.

No equivalent provision.

(c) The commission of a district shall set the amount ~~[rate]~~ of the mandatory payment required ~~[tax imposed]~~ under this section. The amount of the mandatory payment required of each paying hospital ~~[rate]~~ may not exceed an amount that, when added to the amount of the mandatory payments required from all other paying hospitals in the district, equals an amount of revenue that exceeds six percent of the aggregate net patient revenue of all paying hospitals in the district ~~[\$100 for each outpatient hospital visit].~~

(d) Subject to the maximum amount ~~[tax rate]~~ prescribed by Subsection (c), the commission shall set the mandatory payments in amounts ~~[rate of the tax at a rate]~~ that in the aggregate will generate sufficient revenue to cover the administrative expenses of the district, to fund the nonfederal share of a Medicaid supplemental payment program, and to pay for indigent programs, except that the amount of ~~[tax]~~ revenue from mandatory payments used for administrative expenses of the district in a year may not exceed the lesser of four percent of the total revenue generated from the mandatory payment ~~[tax]~~ or \$20,000.

(e) An institutional health care provider may not add a mandatory payment required ~~[tax imposed]~~ under this section as a surcharge to a patient.

SECTION 11. Subsection (a), Section 288.202, Health and Safety Code, is amended to read as follows:

(a) Except as provided by Subsection (b), the county tax assessor-collector shall collect a tax imposed under this subchapter ~~[unless the commission employs a tax assessor and collector for the district]~~. The county tax assessor-collector shall charge

SECTION 15. Section 288.202, Health and Safety Code, is amended to read as follows:

Sec. 288.202. ASSESSMENT AND COLLECTION OF MANDATORY PAYMENTS ~~[TAXES]~~. (a) Except as provided by Subsection (b), the county tax assessor-collector shall collect a mandatory payment required ~~[tax imposed]~~ under this subchapter ~~[unless the commission employs a tax assessor and collector for the district]~~.

and deduct from taxes collected for the district a fee for collecting the tax in an amount determined by the commission, not to exceed the county tax assessor-collector's usual and customary charges for the collection of similar taxes.

No equivalent provision.

SECTION 12. Section 288.203, Health and Safety Code, is amended to read as follows:

Sec. 288.203. DEPOSIT [USE] OF TAX REVENUE. Revenue ~~[generated by a district]~~ from the [a] tax imposed by ~~[under]~~ this chapter shall be deposited in the district's local provider participation fund ~~[subchapter may be used only to:~~  
[(1) ~~provide the nonfederal share of a Medicaid supplemental payment program;~~  
[(2) ~~subsidize indigent programs; and~~  
[(3) ~~pay administrative expenses of the district]~~.

No equivalent provision.

No equivalent provision.

The county tax assessor-collector shall charge and deduct from mandatory payments ~~[taxes]~~ collected for the district a fee for collecting the mandatory payment ~~[tax]~~ in an amount determined by the commission, not to exceed the county tax assessor-collector's usual and customary charges ~~[for the collection of similar taxes]~~.

(b) If determined by the commission to be appropriate, the commission may contract for the assessment and collection of mandatory payments ~~[taxes]~~ in the manner provided by Title 1, Tax Code, for the assessment and collection of ad valorem taxes.

(c) Revenue from a fee charged by a county tax assessor-collector for collecting the mandatory payment ~~[tax]~~ shall be deposited in the county general fund and, if appropriate, shall be reported as fees of the county tax assessor-collector.

SECTION 16. Section 288.203, Health and Safety Code, is amended to read as follows:

Sec. 288.203. DEPOSIT [USE] OF [TAX] REVENUE FROM MANDATORY PAYMENTS. Revenue ~~[generated by a district]~~ from the mandatory payment ~~required~~ by [a ~~tax~~ imposed under] this chapter shall be deposited in the district's local provider participation fund ~~[subchapter may be used only to:~~  
[(1) ~~provide the nonfederal share of a Medicaid supplemental payment program;~~  
[(2) ~~subsidize indigent programs; and~~  
[(3) ~~pay administrative expenses of the district]~~.

SECTION 17. Section 288.204, Health and Safety Code, is amended to read as follows:

Sec. 288.204. INTEREST, PENALTIES, AND DISCOUNTS. Interest, penalties, and discounts on mandatory payments required ~~[taxes imposed]~~ under this subchapter are governed by the law applicable to county ad valorem taxes.

SECTION 18. Section 288.205, Health and Safety Code, is amended to read as follows:

Sec. 288.205. PURPOSE; CORRECTION OF INVALID PROVISION OR PROCEDURE. (a) The purpose of this

chapter is to generate revenue from a mandatory payment required [~~tax imposed~~] by the district to provide the nonfederal share of a Medicaid supplemental payment program.

(b) To the extent any provision or procedure under this chapter causes a mandatory payment [~~tax~~] under this chapter to be ineligible for federal matching funds, the district may provide by rule for an alternative provision or procedure that conforms to the requirements of the federal Centers for Medicare and Medicaid Services.

SECTION 13. Sections 288.003, 288.004, 288.052, 288.053, 288.054, 288.055, 288.056, 288.057, 288.058, and 288.103, Subsection (b), Section 288.104, and Sections 288.105, 288.107, 288.153, and 288.206, Health and Safety Code, are repealed.

SECTION 14. If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 15. This Act takes effect September 1, 2013.

SECTION 19. Sections 288.003, 288.004, 288.051(b), 288.052, 288.053, 288.054, 288.055, 288.056, 288.057, 288.058, 288.103, 288.104(b), 288.105, 288.107, 288.153, and 288.206, Health and Safety Code, are repealed.

SECTION 20. Same as engrossed version.

SECTION 21. 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.