

1-1 By: Price (Senate Sponsor - Nelson) H.B. No. 3196
 1-2 (In the Senate - Received from the House May 8, 2013;
 1-3 May 9, 2013, read first time and referred to Committee on Health
 1-4 and Human Services; May 15, 2013, reported favorably by the
 1-5 following vote: Yeas 8, Nays 0; May 15, 2013, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Nelson	X			
1-8 Deuell	X			
1-9 Huffman	X			
1-10 Nichols	X			
1-11 Schwertner			X	
1-12 Taylor	X			
1-13 Uresti	X			
1-14 West	X			
1-15 Zaffirini	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to licensing and certification requirements for certain
 1-20 health facilities and to the allocation of Medicaid beds in certain
 1-21 of those facilities; increasing fees.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-23 SECTION 1. Section 242.034(a), Health and Safety Code, is
 1-24 amended to read as follows:

1-25 (a) The board may establish by rule license fees for
 1-26 institutions licensed by the department under this chapter. The
 1-27 license fee may not exceed \$375 [~~\$250~~] plus:

1-28 (1) \$15 [~~\$10~~] for each unit of capacity or bed space
 1-29 for which a license is sought; and

1-30 (2) a background examination fee imposed under
 1-31 Subsection (d).

1-32 SECTION 2. Section 242.040, Health and Safety Code, is
 1-33 amended by amending Subsection (c) and adding Subsection (f) to
 1-34 read as follows:

1-35 (c) The board by rule may adopt standards for the
 1-36 specialized care and treatment of persons with Alzheimer's disease
 1-37 and related disorders and provide procedures for institutions
 1-38 applying for certification under this section. The rules must
 1-39 provide for a three-year certification period [~~annual~~
 1-40 ~~certification~~].

1-41 (f) The executive commissioner by rule shall adopt a system
 1-42 under which an appropriate number of certifications issued by the
 1-43 department expire on staggered dates occurring in each three-year
 1-44 period. If the expiration date of a certification changes as a
 1-45 result of this subsection, the department shall prorate the
 1-46 certification fee relating to that certification as appropriate.

1-47 SECTION 3. Section 32.0213, Human Resources Code, is
 1-48 amended by adding Subsections (d), (e), and (f) to read as follows:

1-49 (d) The executive commissioner of the Health and Human
 1-50 Services Commission by rule may require an applicant for Medicaid
 1-51 beds in a nursing facility under a Medicaid bed waiver application
 1-52 to provide a performance bond in the amount of \$500,000 or other
 1-53 financial security as determined by the department to ensure that
 1-54 the applicant provides the Medicaid beds granted to the applicant
 1-55 under the waiver within the time frame required by the department.
 1-56 A performance bond provided under this subsection must:

1-57 (1) be executed by a corporate entity in accordance
 1-58 with Subchapter A, Chapter 3503, Insurance Code;

1-59 (2) be in a form approved by the department; and

1-60 (3) clearly and prominently display on the face of the
 1-61 bond or on an attachment to the bond:

2-1 (A) the name, mailing address, physical address,
2-2 and telephone number, including the area code, of the surety
2-3 company to which any notice of claim should be sent; or

2-4 (B) the toll-free telephone number maintained by
2-5 the Texas Department of Insurance under Subchapter B, Chapter 521,
2-6 Insurance Code, and a statement that the address of the surety
2-7 company to which any notice of claim should be sent may be obtained
2-8 from the Texas Department of Insurance by calling the toll-free
2-9 telephone number.

2-10 (e) The department may not require an applicant for Medicaid
2-11 beds in a nursing facility to obtain a performance bond from a
2-12 specific insurance or surety agency, agent, or broker.

2-13 (f) The executive commissioner by rule shall adopt criteria
2-14 to exempt certain applicants for Medicaid beds from the
2-15 requirements of Subsection (d), including applicants that are
2-16 licensed facilities with existing Medicaid bed allocations,
2-17 criminal justice facilities, teaching facilities, and state
2-18 veterans homes, and any other applicants that the executive
2-19 commissioner finds good cause to exempt. The executive
2-20 commissioner may modify the criteria for granting exemptions under
2-21 this subsection as necessary to meet the objectives of Subsection
2-22 (d).

2-23 SECTION 4. (a) Section 242.034(a), Health and Safety Code,
2-24 as amended by this Act, applies only to a license application,
2-25 including a renewal application, filed on or after the effective
2-26 date of this Act. A license application, including a renewal
2-27 application, filed before that date is governed by the law in effect
2-28 on the date the application was filed, and the former law is
2-29 continued in effect for that purpose.

2-30 (b) Sections 32.0213(d), (e), and (f), Human Resources
2-31 Code, as added by this Act, apply only to an application filed on or
2-32 after the effective date of this Act for Medicaid beds in a nursing
2-33 facility. An application filed before that date is governed by the
2-34 law in effect on the date the application was filed, and the former
2-35 law is continued in effect for that purpose.

2-36 SECTION 5. This Act takes effect September 1, 2013.

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