

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 2476
By: Guerra (Hinojosa)
Intergovernmental Relations
5/7/2015
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The 83rd Legislature, Regular Session, 2013, passed S.B. 1623 (Hinojosa) to allow the counties of Hidalgo, Cameron, and Webb to create a local provider participation fund (LPPF) to draw down their share of federal dollars to fund initiatives that improve quality and access to health care along the Texas-Mexico border.

These counties serve the largest uninsured population in the United States—almost 40 percent of the residents of Hidalgo County are uninsured, compared to 24 percent in the State of Texas.

Because no hospital district exists in any of these counties, area residents were faced with leaving over \$540 million on the table that would have been available through a waiver under the Social Security Act that allows more flexibility in designing programs to ensure delivery of Medicaid services.

Creating the LPPF in 2013 allowed the participating counties to find a local solution to their funding shortfall that allowed the communities to access federal dollars without increasing property taxes or requesting any funding from the state, and at no cost to insured or uninsured patients.

1115 Waiver payments are now available to local hospitals in the three counties and they have been able to implement Delivery System Reform Incentive Payment (DSRIP) projects focused on increasing access to care and improving patient outcomes as well as implementing new residency programs.

C.S.H.B. 2476 removes the sunset provision that is currently in statute. Now that the LPPF is in place and operating successfully with enormous benefits to our communities and families the sunset provision is no longer necessary. (The current provision sunsets the LPPF on December 31, 2016.)

C.S.H.B. 2476 also changes the definition of an "institutional health care provider" from a nonpublic hospital "licensed under Chapter 241" to a nonpublic hospital "that provides inpatient hospital services." This is because some nonpublic hospitals are not licensed under Chapter 241. This will ensure that all nonpublic hospitals are included in the definition and is consistent with federal requirements that require that all hospitals be involved.

C.S.H.B. 2476 amends current law relating to the operations of health care funding districts in certain counties located on the Texas-Mexico border.

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 288.001(4), Health and Safety Code, to redefine "institutional health care provider."

SECTION 2. Repealer: Section 288.0032 (Expiration of Chapter; Distribution of Funds on Expiration), Health and Safety Code.

SECTION 3. Effective date: upon passage or September 1, 2015.