

By: Hinojosa, et al.  
(Lucio III)

S.B. No. 1462

A BILL TO BE ENTITLED

AN ACT

relating to local health care provider participation programs in certain counties and municipalities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 288.155(c), Health and Safety Code, is amended to read as follows:

(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:

(A) 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; or

(B) payments to Medicaid managed care organizations that are dedicated for payment to hospitals;

(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

1 of the money received by the district from the Health and Human  
2 Services Commission that is not used to fund the nonfederal share of  
3 Medicaid supplemental payment program payments; and

4 (6) refund to paying hospitals the proportionate share  
5 of money that the district determines cannot be used to fund the  
6 nonfederal share of Medicaid supplemental payment program  
7 payments.

8 SECTION 2. Section 288.202, Health and Safety Code, is  
9 amended to read as follows:

10 Sec. 288.202. ASSESSMENT AND COLLECTION OF MANDATORY  
11 PAYMENTS. The district may collect or contract for the assessment  
12 and collection of mandatory payments required under this chapter  
13 ~~[(a) Except as provided by Subsection (b), the county tax~~  
14 ~~assessor-collector shall collect a mandatory payment required~~  
15 ~~under this subchapter. The county tax assessor-collector shall~~  
16 ~~charge and deduct from mandatory payments collected for the~~  
17 ~~district a fee for collecting the mandatory payment in an amount~~  
18 ~~determined by the commission, not to exceed the county tax~~  
19 ~~assessor-collector's usual and customary charges.~~

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

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

1 SECTION 3. Section 291.103(c), Health and Safety Code, is  
2 amended to read as follows:

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

5 (1) fund intergovernmental transfers from the county  
6 to the state to provide:

7 (A) the nonfederal share of a Medicaid  
8 supplemental payment program authorized under the state Medicaid  
9 plan, the Texas Healthcare Transformation and Quality Improvement  
10 Program waiver issued under Section 1115 of the federal Social  
11 Security Act (42 U.S.C. Section 1315), or a successor waiver  
12 program authorizing similar Medicaid supplemental payment  
13 programs; or

14 (B) payments to Medicaid managed care  
15 organizations that are dedicated for payment to hospitals;

16 (2) subsidize indigent programs;

17 (3) pay the administrative expenses of the county  
18 solely for activities under this chapter;

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

21 (5) refund to paying hospitals the proportionate share  
22 of money received by the county from the Health and Human Services  
23 Commission that is not used to fund the nonfederal share of Medicaid  
24 supplemental payment program payments; and

25 (6) refund to paying hospitals the proportionate share  
26 of money that the county determines cannot be used to fund the  
27 nonfederal share of Medicaid supplemental payment program

1 payments.

2 SECTION 4. Section 291.152, Health and Safety Code, is  
3 amended to read as follows:

4 Sec. 291.152. ASSESSMENT AND COLLECTION OF MANDATORY  
5 PAYMENTS. The county may collect or contract for the assessment and  
6 collection of mandatory payments authorized under this chapter  
7 ~~[(a) Except as provided by Subsection (b), the county tax~~  
8 ~~assessor-collector shall collect the mandatory payment authorized~~  
9 ~~under this chapter. The county tax assessor-collector shall charge~~  
10 ~~and deduct from mandatory payments collected for the county a fee~~  
11 ~~for collecting the mandatory payment in an amount determined by the~~  
12 ~~commissioners court of the county, not to exceed the county tax~~  
13 ~~assessor-collector's usual and customary charges.~~

14 ~~[(b) If determined by the commissioners court to be~~  
15 ~~appropriate, the commissioners court may contract for the~~  
16 ~~assessment and collection of mandatory payments in the manner~~  
17 ~~provided by Title 1, Tax Code, for the assessment and collection of~~  
18 ~~ad valorem taxes.~~

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

23 SECTION 5. Section 292.103(c), Health and Safety Code, is  
24 amended to read as follows:

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

27 (1) fund intergovernmental transfers from the county

1 to the state to provide:

2           (A) the nonfederal share of a Medicaid  
3 supplemental payment program authorized under the state Medicaid  
4 plan, the Texas Healthcare Transformation and Quality Improvement  
5 Program waiver issued under Section 1115 of the federal Social  
6 Security Act (42 U.S.C. Section 1315), or a successor waiver  
7 program authorizing similar Medicaid supplemental payment  
8 programs; or

9           (B) payments to Medicaid managed care  
10 organizations that are dedicated for payment to hospitals;

11           (2) subsidize indigent programs;

12           (3) pay the administrative expenses of the county  
13 solely for activities under this chapter;

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

16           (5) refund to paying hospitals the proportionate share  
17 of money received by the county from the Health and Human Services  
18 Commission that is not used to fund the nonfederal share of Medicaid  
19 supplemental payment program payments; and

20           (6) refund to paying hospitals the proportionate share  
21 of money that the county determines cannot be used to fund the  
22 nonfederal share of Medicaid supplemental payment program  
23 payments.

24           SECTION 6. Section 292.152, Health and Safety Code, is  
25 amended to read as follows:

26           Sec. 292.152. ASSESSMENT AND COLLECTION OF MANDATORY  
27 PAYMENTS. The county may collect or contract for the assessment and

1 collection of mandatory payments authorized under this chapter  
2 ~~[(a) Except as provided by Subsection (b), the county tax~~  
3 ~~assessor-collector shall collect the mandatory payment authorized~~  
4 ~~under this chapter. The county tax assessor-collector shall charge~~  
5 ~~and deduct from mandatory payments collected for the county a fee~~  
6 ~~for collecting the mandatory payment in an amount determined by the~~  
7 ~~commissioners court of the county, not to exceed the county tax~~  
8 ~~assessor-collector's usual and customary charges.~~

9 ~~[(b) If determined by the commissioners court to be~~  
10 ~~appropriate, the commissioners court may contract for the~~  
11 ~~assessment and collection of mandatory payments in the manner~~  
12 ~~provided by Title 1, Tax Code, for the assessment and collection of~~  
13 ~~ad valorem taxes.~~

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

18 SECTION 7. Section 293.001(1), Health and Safety Code, is  
19 amended to read as follows:

20 (1) "Institutional health care provider" means a  
21 nonpublic hospital that provides inpatient hospital services  
22 ~~[licensed under Chapter 241].~~

23 SECTION 8. Section 293.103(c), Health and Safety Code, is  
24 amended to read as follows:

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

27 (1) fund intergovernmental transfers from the county

1 to the state to provide:

2 (A) the nonfederal share of a Medicaid  
3 supplemental payment program authorized under the state Medicaid  
4 plan, the Texas Healthcare Transformation and Quality Improvement  
5 Program waiver issued under Section 1115 of the federal Social  
6 Security Act (42 U.S.C. Section 1315), or a successor waiver  
7 program authorizing similar Medicaid supplemental payment  
8 programs; or

9 (B) payments to Medicaid managed care  
10 organizations that are dedicated for payment to hospitals;

11 (2) subsidize indigent programs;

12 (3) pay the administrative expenses of the county  
13 solely for activities under this chapter;

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

16 (5) refund to paying hospitals the proportionate share  
17 of money received by the county from the Health and Human Services  
18 Commission that is not used to fund the nonfederal share of Medicaid  
19 supplemental payment program payments; and

20 (6) refund to paying hospitals the proportionate share  
21 of money that the county determines cannot be used to fund the  
22 nonfederal share of Medicaid supplemental payment program  
23 payments.

24 SECTION 9. Section 293.152, Health and Safety Code, is  
25 amended to read as follows:

26 Sec. 293.152. ASSESSMENT AND COLLECTION OF MANDATORY  
27 PAYMENTS. The county may collect or contract for the assessment and

1 collection of mandatory payments authorized under this chapter  
2 ~~[(a) Except as provided by Subsection (b), the county tax~~  
3 ~~assessor-collector shall collect the mandatory payment authorized~~  
4 ~~under this chapter. The county tax assessor-collector shall charge~~  
5 ~~and deduct from mandatory payments collected for the county a fee~~  
6 ~~for collecting the mandatory payment in an amount determined by the~~  
7 ~~commissioners court of the county, not to exceed the county tax~~  
8 ~~assessor-collector's usual and customary charges.~~

9 ~~[(b) If determined by the commissioners court to be~~  
10 ~~appropriate, the commissioners court may contract for the~~  
11 ~~assessment and collection of mandatory payments in the manner~~  
12 ~~provided by Title 1, Tax Code, for the assessment and collection of~~  
13 ~~ad valorem taxes.~~

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

18 SECTION 10. Section 294.001(1), Health and Safety Code, is  
19 amended to read as follows:

20 (1) "Institutional health care provider" means a  
21 nonpublic hospital that provides inpatient hospital services  
22 ~~[licensed under Chapter 241].~~

23 SECTION 11. Section 294.103(c), Health and Safety Code, is  
24 amended to read as follows:

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

27 (1) fund intergovernmental transfers from the county



1 to the state to provide:

2           (A) the nonfederal share of a Medicaid  
3 supplemental payment program authorized under the state Medicaid  
4 plan, the Texas Healthcare Transformation and Quality Improvement  
5 Program waiver issued under Section 1115 of the federal Social  
6 Security Act (42 U.S.C. Section 1315), or a successor waiver  
7 program authorizing similar Medicaid supplemental payment  
8 programs; or

9           (B) payments to Medicaid managed care  
10 organizations that are dedicated for payment to hospitals;

11           (2) subsidize indigent programs;

12           (3) pay the administrative expenses of the county  
13 solely for activities under this chapter;

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

16           (5) refund to paying hospitals the proportionate share  
17 of money received by the county from the Health and Human Services  
18 Commission that is not used to fund the nonfederal share of Medicaid  
19 supplemental payment program payments; and

20           (6) refund to paying hospitals the proportionate share  
21 of money that the county determines cannot be used to fund the  
22 nonfederal share of Medicaid supplemental payment program  
23 payments.

24           SECTION 12. Section 294.152, Health and Safety Code, is  
25 amended to read as follows:

26           Sec. 294.152. ASSESSMENT AND COLLECTION OF MANDATORY  
27 PAYMENTS. The county may collect or contract for the assessment and

1 collection of mandatory payments authorized under this chapter  
2 ~~[(a) Except as provided by Subsection (b), the county tax~~  
3 ~~assessor-collector shall collect the mandatory payment authorized~~  
4 ~~under this chapter. The county tax assessor-collector shall charge~~  
5 ~~and deduct from mandatory payments collected for the county a fee~~  
6 ~~for collecting the mandatory payment in an amount determined by the~~  
7 ~~commissioners court of the county, not to exceed the county tax~~  
8 ~~assessor-collector's usual and customary charges.~~

9 ~~[(b) If determined by the commissioners court to be~~  
10 ~~appropriate, the commissioners court may contract for the~~  
11 ~~assessment and collection of mandatory payments in the manner~~  
12 ~~provided by Title 1, Tax Code, for the assessment and collection of~~  
13 ~~ad valorem taxes.~~

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

18 SECTION 13. Section 295.103(c), Health and Safety Code, is  
19 amended to read as follows:

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

22 (1) fund intergovernmental transfers from the  
23 municipality to the state to provide:

24 (A) the nonfederal share of a Medicaid  
25 supplemental payment program authorized under the state Medicaid  
26 plan, the Texas Healthcare Transformation and Quality Improvement  
27 Program waiver issued under Section 1115 of the federal Social

1 Security Act (42 U.S.C. Section 1315), or a successor waiver  
2 program authorizing similar Medicaid supplemental payment  
3 programs; or

4 (B) payments to Medicaid managed care  
5 organizations that are dedicated for payment to hospitals;

6 (2) subsidize indigent programs;

7 (3) pay the administrative expenses of the  
8 municipality solely for activities under this chapter;

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

11 (5) refund to paying hospitals the proportionate share  
12 of money received by the municipality from the Health and Human  
13 Services Commission that is not used to fund the nonfederal share of  
14 Medicaid supplemental payment program payments; and

15 (6) refund to paying hospitals the proportionate share  
16 of money that the governing body of the municipality determines  
17 cannot be used to fund the nonfederal share of Medicaid  
18 supplemental payment program payments.

19 SECTION 14. Section 295.152, Health and Safety Code, is  
20 amended to read as follows:

21 Sec. 295.152. ASSESSMENT AND COLLECTION OF MANDATORY  
22 PAYMENTS. The municipality may collect or contract for the  
23 assessment and collection of mandatory payments authorized under  
24 this chapter ~~[(a) Except as provided by Subsection (b), the~~  
25 ~~municipal tax assessor-collector shall collect the mandatory~~  
26 ~~payment authorized under this chapter. The municipal tax~~  
27 ~~assessor-collector shall charge and deduct from mandatory payments~~

1 ~~collected for the municipality a fee for collecting the mandatory~~  
2 ~~payment in an amount determined by the governing body of the~~  
3 ~~municipality, not to exceed the municipal tax assessor-collector's~~  
4 ~~usual and customary charges.~~

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

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

13 SECTION 15. Section 296.103(c), Health and Safety Code, is  
14 amended to read as follows:

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

17 (1) fund intergovernmental transfers from the county  
18 to the state to provide:

19 (A) the nonfederal share of a Medicaid  
20 supplemental payment program authorized under the state Medicaid  
21 plan, the Texas Healthcare Transformation and Quality Improvement  
22 Program waiver issued under Section 1115 of the federal Social  
23 Security Act (42 U.S.C. Section 1315), or a successor waiver  
24 program authorizing similar Medicaid supplemental payment  
25 programs; or

26 (B) payments to Medicaid managed care  
27 organizations that are dedicated for payment to hospitals;

1 (2) subsidize indigent programs;

2 (3) pay the administrative expenses of the county  
3 solely for activities under this chapter;

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

6 (5) refund to paying hospitals the proportionate share  
7 of money received by the county from the Health and Human Services  
8 Commission that is not used to fund the nonfederal share of Medicaid  
9 supplemental payment program payments; and

10 (6) refund to paying hospitals the proportionate share  
11 of money that the county determines cannot be used to fund the  
12 nonfederal share of Medicaid supplemental payment program  
13 payments.

14 SECTION 16. Section 296.152, Health and Safety Code, is  
15 amended to read as follows:

16 Sec. 296.152. ASSESSMENT AND COLLECTION OF MANDATORY  
17 PAYMENTS. The county may collect or contract for the assessment and  
18 collection of mandatory payments authorized under this chapter  
19 ~~[(a) Except as provided by Subsection (b), the county tax~~  
20 ~~assessor-collector shall collect the mandatory payment authorized~~  
21 ~~under this chapter. The county tax assessor-collector shall charge~~  
22 ~~and deduct from mandatory payments collected for the county a fee~~  
23 ~~for collecting the mandatory payment in an amount determined by the~~  
24 ~~commissioners court of the county, not to exceed the county tax~~  
25 ~~assessor-collector's usual and customary charges.~~

26 ~~[(b) If determined by the commissioners court to be~~  
27 ~~appropriate, the commissioners court may contract for the~~

1 ~~assessment and collection of mandatory payments in the manner~~  
2 ~~provided by Title 1, Tax Code, for the assessment and collection of~~  
3 ~~ad valorem taxes.~~

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

8 SECTION 17. Section 297.001(1), Health and Safety Code, is  
9 amended to read as follows:

10 (1) "Institutional health care provider" means a  
11 nonpublic hospital that provides inpatient hospital services  
12 ~~[licensed under Chapter 241].~~

13 SECTION 18. Section 297.103(c), Health and Safety Code, is  
14 amended to read as follows:

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

17 (1) fund intergovernmental transfers from the county  
18 to the state to provide:

19 (A) the nonfederal share of a Medicaid  
20 supplemental payment program authorized under the state Medicaid  
21 plan, the Texas Healthcare Transformation and Quality Improvement  
22 Program waiver issued under Section 1115 of the federal Social  
23 Security Act (42 U.S.C. Section 1315), or a successor waiver  
24 program authorizing similar Medicaid supplemental payment  
25 programs; or

26 (B) payments to Medicaid managed care  
27 organizations that are dedicated for payment to hospitals;

1 (2) subsidize indigent programs;

2 (3) pay the administrative expenses of the county  
3 solely for activities under this chapter;

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

6 (5) refund to paying hospitals the proportionate share  
7 of money received by the county from the Health and Human Services  
8 Commission that is not used to fund the nonfederal share of Medicaid  
9 supplemental payment program payments; and

10 (6) refund to paying hospitals the proportionate share  
11 of money that the county determines cannot be used to fund the  
12 nonfederal share of Medicaid supplemental payment program  
13 payments.

14 SECTION 19. Section 297.152, Health and Safety Code, is  
15 amended to read as follows:

16 Sec. 297.152. ASSESSMENT AND COLLECTION OF MANDATORY  
17 PAYMENTS. The county may collect or contract for the assessment and  
18 collection of mandatory payments authorized under this chapter  
19 ~~[(a) Except as provided by Subsection (b), the county tax~~  
20 ~~assessor-collector shall collect the mandatory payment authorized~~  
21 ~~under this chapter. The county tax assessor-collector shall charge~~  
22 ~~and deduct from mandatory payments collected for the county a fee~~  
23 ~~for collecting the mandatory payment in an amount determined by the~~  
24 ~~commissioners court of the county, not to exceed the county tax~~  
25 ~~assessor-collector's usual and customary charges.~~

26 ~~[(b) If determined by the commissioners court to be~~  
27 ~~appropriate, the commissioners court may contract for the~~

1 ~~assessment and collection of mandatory payments in the manner~~  
2 ~~provided by Title 1, Tax Code, for the assessment and collection of~~  
3 ~~ad valorem taxes.~~

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

8 SECTION 20. This Act takes effect immediately if it  
9 receives a vote of two-thirds of all the members elected to each  
10 house, as provided by Section 39, Article III, Texas Constitution.  
11 If this Act does not receive the vote necessary for immediate  
12 effect, this Act takes effect September 1, 2017.