

BILL ANALYSIS

Senate Research Center
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S.B. 1061
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Intergovernmental Relations
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

A local provider participation fund, or "LPPF," is a fund established by hospital districts in which they pool resources to provide indigent care, activating a provision of federal law known as the 1115 waiver which draws down federal funds at roughly a 60:40 ratio. Currently, there are 19 such funds created under Texas law. During the 85th Regular Session, the Texas Legislature passed S.B. 1462, creating the Tarrant County LPPF. Since passage, the Tarrant County LPPF has drawn down \$182.3 million in federal funds. The fund costs no state tax dollars; it only collects federal funds and mandatory payments from member hospitals. The statute explicitly prohibits hospitals from passing mandatory payment expenses on to patients as surcharges. Under current law, the LPPF will expire on December 31, 2019. S.B. 1061 extends the sunset date to December 31, 2025. Reauthorization of the LPPF has unanimous support from Dallas County hospitals, including Baylor Scott & White, Cook Children's Health Care System, JPS Health Network, HCA/Medical City Healthcare, Methodist Health System, and Texas Health Resources.

As proposed, S.B. 1061 amends current law relating to the continuation of a health care provider participation program by the Tarrant County Hospital District.

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 298B.004, Health and Safety Code, as follows:

Sec. 298B.004. EXPIRATION OF AUTHORITY. (a) Provides that, subject to Sections 298B.153(d) (relating to the Tarrant County hospital district authorization to collect certain payments being contingent on the availability of certain funds) and 298B.154 (Federal Disallowance), the authority of the district to administer and operate a program under this chapter (Tarrant County Hospital District Health Care Provider Participation Program) expires December 31, 2025, rather than 2019.

(b) Provides that Subsection (a) does not affect the authority of the district to require and collect a mandatory payment under Section 298B.154 after December 31, 2025, rather than 2019, if necessary.

SECTION 2. Effective date: September 1, 2019.