By: Klick H.B. No. 3240

Substitute the following for H.B. No. 3240:

By: Frank C.S.H.B. No. 3240

## A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to the composition of the Long-Term Care Facilities
- 3 Council and rules related to and the imposition of administrative
- 4 penalties against certain long-term care facilities.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 6 SECTION 1. Section 531.0581(b), Government Code, is amended
- 7 to read as follows:
- 8 (b) The executive commissioner shall establish a Long-Term
- 9 Care Facilities Council as a permanent advisory committee to the
- 10 commission. The council is composed of the following members
- 11 appointed by the executive commissioner:
- 12 (1) at least one member who is a for-profit nursing
- 13 facility provider;
- 14 (2) at least one member who is a nonprofit nursing
- 15 facility provider;
- 16 (3) at least one member who is an assisted living
- 17 services provider;
- 18 (4) at least one member responsible for survey
- 19 enforcement within the state survey and certification agency;
- 20 (5) at least one member responsible for survey
- 21 inspection within the state survey and certification agency;
- 22 (6) at least one member of the state agency
- 23 responsible for informal dispute resolution;
- 24 (7) at least one member with expertise in Medicaid

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- 1 quality-based payment systems for long-term care facilities;
- 2 (8) at least one member who is a practicing medical
- 3 director of a long-term care facility; [and]
- 4 (9) at least one member who is a physician with
- 5 expertise in infectious disease or public health; and
- 6 (10) at least one member who is a community-based
- 7 provider at an intermediate care facility for individuals with
- 8 intellectual or developmental disabilities licensed under Chapter
- 9 252, Health and Safety Code.
- SECTION 2. Section 252.065(b), Health and Safety Code, is
- 11 amended to read as follows:
- 12 (b) The penalty for a facility with fewer than 60 beds shall
- 13 be not less than \$100 or more than \$1,000 for each violation. The
- 14 penalty for a facility with 60 beds or more shall be not less than
- 15 \$100 or more than \$5,000 for each violation. Each day a violation
- 16 occurs or continues is a separate violation for purposes of
- 17 imposing a penalty. The total amount of penalties [a penalty]
- 18 assessed under this subsection for an on-site regulatory visit or
- 19 complaint investigation, regardless of the duration of any ongoing
- 20 <u>violations</u>, [for each day a violation occurs or continues] may not
- 21 exceed:
- 22 (1) \$5,000 for a facility with fewer than 60 beds; and
- 23 (2) \$25,000 for a facility with 60 beds or more.
- SECTION 3. Section 161.089(c), Human Resources Code, is
- 25 amended to read as follows:
- 26 (c) After consulting with appropriate stakeholders, the
- 27 executive commissioner shall develop and adopt rules regarding the

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- 1 imposition of administrative penalties under this section. The
- 2 rules must:
- 3 (1) specify the types of violations that warrant
- 4 imposition of an administrative penalty;
- 5 (2) establish a schedule of progressive
- 6 administrative penalties in accordance with the relative type,
- 7 frequency, and seriousness of a violation;
- 8 (3) prescribe reasonable amounts to be imposed for
- 9 each violation giving rise to an administrative penalty, subject to
- 10 Subdivision (4);
- 11 (4) authorize the imposition of an administrative
- 12 penalty in an amount not to exceed \$5,000 for violations discovered
- 13 <u>during</u> each <u>on-site regulatory visit or complaint investigation</u>
- 14 [violation];
- 15 (5) provide that a provider commits a separate
- 16 violation each day the provider continues to violate the law or
- 17 rule;
- 18 (6) ensure standard and consistent application of
- 19 administrative penalties throughout the state; [and]
- 20 (7) provide for an administrative appeals process to
- 21 adjudicate claims and appeals relating to the imposition of an
- 22 administrative penalty under this section that is in accordance
- 23 with Chapter 2001, Government Code;
- 24 (8) ensure standard and consistent interpretation of
- 25 service delivery rules and consistent application of
- 26 administrative penalties throughout this state; and
- 27 (9) include interpretative guidelines for regulatory

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- 1 staff and providers regarding the imposition of administrative
- 2 penalties under this section.
- 3 SECTION 4. Not later than December 1, 2021, the executive
- 4 commissioner of the Health and Human Services Commission shall
- 5 adopt the rules necessary to implement the changes in law made by
- 6 this Act.
- 7 SECTION 5. The Health and Human Services Commission may not
- 8 assess a penalty under Section 161.089, Human Resources Code, as
- 9 amended by this Act, until the executive commissioner of the Health
- 10 and Human Services Commission adopts the rules necessary to
- 11 implement Sections 161.089(c)(8) and (9), Human Resources Code, as
- 12 added by this Act.
- 13 SECTION 6. This Act takes effect immediately if it receives
- 14 a vote of two-thirds of all the members elected to each house, as
- 15 provided by Section 39, Article III, Texas Constitution. If this
- 16 Act does not receive the vote necessary for immediate effect, this
- 17 Act takes effect September 1, 2021.