

Amend **CSSB 457** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION _____. Subchapter D, Chapter 532, Government Code, is amended by adding Section 532.0159 to read as follows:

Sec. 532.0159. CONTINUED REIMBURSEMENT OF NURSING FACILITIES WHILE CHANGE IN OWNERSHIP APPLICATION PENDING. (a) Notwithstanding any other law, the commission shall ensure that a nursing facility providing Medicaid services to recipients continues to receive Medicaid reimbursement uninterrupted while a change in ownership application for the facility is pending with the commission, provided the facility under the new ownership:

(1) accepts assignment of the previous owner's Medicaid provider agreement subject to applicable federal and state law, including applicable federal and state regulations;

(2) satisfies applicable requirements under federal and state law, including the licensing requirement under Chapter 242, Health and Safety Code;

(3) if required by the terms of and agreed to by the parties to the contract, assumes the contract to deliver Medicaid nursing facility services in effect before the change in ownership;

(4) subject to Subsection (b), enters into a successor liability agreement, approved by the commission; and

(5) meets any additional requirements prescribed by the commission.

(b) A successor liability agreement under Subsection (a)(4) must require that the facility under the new ownership:

(1) pay the commission for any outstanding liabilities under the contract in effect before the change in ownership that are identified by the commission; and

(2) agree that an outstanding liability identified by the commission may include a liability incurred by the previous owner without regard to:

(A) when a service was provided or a claim was filed; or

(B) whether the liability is identified by the commission or another authorized entity, including a Medicaid

managed care organization.

(c) This section does not apply to a supplemental payment program or a directed payment program, as defined by Section 532.0102, operated or administered by the commission.

(d) The executive commissioner shall adopt rules necessary to implement this section.