

BILL ANALYSIS

C.S.H.B. 3077
By: Zerwas
Appropriations
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties observe that air ambulances provide critical lifesaving services without knowing if the patient has any form of medical insurance or ability to pay for the service. The parties have expressed concern that a number of emergency patients transported by air ambulances have no insurance, are ineligible for Medicaid, and have no ability to pay for the service. The parties further note that the Medicaid fee schedule pays air ambulance services far below the cost of providing emergency air transportation and pays nothing if the patient is indigent. Furthermore, it is noted that air ambulances, unlike hospitals and physicians, are not eligible for funding of indigent patients through the trauma fund or the Disproportionate Share Hospital Program. C.S.H.B. 3077 seeks to address this issue to ensure the viability of air ambulance services.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 3077 amends the Health and Safety Code to establish the emergency medical air transportation account as a dedicated account in the general revenue fund to be composed of money deposited to the credit of the account from state traffic fines, as provided by the bill, and interest earned on the investment of money in the account and depository interest allocable to the account. The bill authorizes the commissioner of state health services to use the money appropriated from the account to provide funding, in addition to funding available from other sources, for emergency medical air transportation and authorizes the commissioner, after consulting with the executive commissioner of the Health and Human Services Commission, to transfer the money appropriated from the account to the Health and Human Services Commission for the purposes of providing Medicaid reimbursements to providers of emergency medical air transportation services and, to the extent possible, maximizing the receipt of federal Medicaid funds. The bill restricts appropriation of money in the account to the Department of State Health Services for those purposes.

C.S.H.B. 3077 amends the Transportation Code to decrease from 67 percent to 50 percent the percentage of the money received by the comptroller of public accounts from state traffic fines that the comptroller is required to deposit to the credit of the undedicated portion of the general revenue fund and to require the comptroller to deposit 17 percent of the money received by the comptroller from state traffic fines to the credit of the designated emergency medical air transportation account.

EFFECTIVE DATE

September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3077 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Chapter 773, Health and Safety Code, is amended by adding Subchapter I to read as follows:

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SUBCHAPTER I. EMERGENCY MEDICAL AIR TRANSPORTATION FUNDING

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Sec. 773.221. DEFINITIONS.

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Sec. 773.222. EMERGENCY MEDICAL AIR TRANSPORTATION ACCOUNT. (a)
The emergency medical air transportation account is established as a dedicated account in the general revenue fund. The account is composed of:

Sec. 773.222. EMERGENCY MEDICAL AIR TRANSPORTATION ACCOUNT. (a)
The emergency medical air transportation account is established as a dedicated account in the general revenue fund. The account is composed of:

- (1) money deposited to the credit of the account under Section 542.4031, Transportation Code; and
- (2) notwithstanding Section 404.071, Government Code, interest earned on the investment of money in the account and depository interest allocable to the account.

- (1) money deposited to the credit of the account under Section 542.4031, Transportation Code; and
- (2) notwithstanding Section 404.071, Government Code, interest earned on the investment of money in the account and depository interest allocable to the account.

(b) Money in the account may be appropriated only to the department for the purposes described by Subsection (c).

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(c) The commissioner may:

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(1) use the money appropriated from the account to fund emergency medical air transportation; and

(1) use the money appropriated from the account to provide funding, in addition to funding available from other sources, for emergency medical air transportation; and

(2) after consulting with the executive commissioner, transfer the money appropriated from the account to the commission to:

(2) after consulting with the executive commissioner, transfer the money appropriated from the account to the commission to:

(A) provide reimbursements under the medical assistance program under Chapter 32, Human Resources Code, to providers of emergency medical air transportation services, including reimbursement enhancements to the statewide dollar amount rate used to reimburse designated air ambulance services under the program;

(A) provide reimbursements under the medical assistance program under Chapter 32, Human Resources Code, to providers of emergency medical air transportation services, including reimbursement enhancements to the statewide dollar amount rate used to reimburse designated air ambulance services under the program;

and

(B) maximize the receipt of federal funds under the medical assistance program under Chapter 32, Human Resources Code.

SECTION 2. Section 542.4031(g), Transportation Code, is amended to read as follows:

(g) Of the money received by the comptroller under this section, the comptroller shall deposit:

(1) ~~67~~ percent to the credit of the undedicated portion of the general revenue fund; ~~and~~

(2) ~~16.5~~ ~~[33]~~ percent to the credit of the designated trauma facility and emergency medical services account under Section 780.003, Health and Safety Code; and

(3) 16.5 percent to the credit of the designated emergency medical air transportation account under Section 773.222, Health and Safety Code.

SECTION 3. Section 542.4031(g), Transportation Code, as amended by this Act, applies only to the distribution of revenue collected on or after the effective date of this Act. The distribution of revenue collected before the effective date of this Act is governed by the law in effect at the time the revenue was collected, and that law is continued in effect for the purpose of the distribution of that revenue.

SECTION 4. This Act takes effect September 1, 2015.

and

(B) maximize the receipt of federal funds under the medical assistance program under Chapter 32, Human Resources Code, to the extent possible.

SECTION 2. Section 542.4031(g), Transportation Code, is amended to read as follows:

(g) Of the money received by the comptroller under this section, the comptroller shall deposit:

(1) ~~50~~ ~~[67]~~ percent to the credit of the undedicated portion of the general revenue fund; ~~and~~

(2) ~~33~~ percent to the credit of the designated trauma facility and emergency medical services account under Section 780.003, Health and Safety Code; and

(3) 17 percent to the credit of the designated emergency medical air transportation account under Section 773.222, Health and Safety Code.

SECTION 3. Same as introduced version.

SECTION 4. Same as introduced version.