

BILL ANALYSIS

Senate Research Center
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S.B. 172
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Health & Human Services
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

As proposed, S.B. 172 authorizes a county, hospital district, or public hospital to select one or more teaching hospitals as a mandated provider that agrees to provide services to eligible, indigent persons in the appropriate service area and authorizes a county to require a resident to receive services from said provider. This bill requires the comptroller of public accounts, among other certain tasks, to pay the mandated provider on behalf of the county for the provision of health care services from certain tax revenues. This bill authorizes the mandated provider to request a hearing with the county concerning a dispute regarding liability to pay for the provider's services and sets forth certain procedures for that hearing.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the comptroller of public accounts in SECTION 1 (Section 61.013, Health and Safety Code) of this bill.

Rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 4 (Section 61.103, Health and Safety Code) of this bill.

SECTION BY SECTION ANALYSIS

[While the statutory reference in this bill is to the Texas Department of Health (TDH), the following amendments affect the Department of State Health Services, as the successor agency to TDH.]

SECTION 1. Amends Section 61.002(8), Health and Safety Code, to redefine "mandated provider."

SECTION 2. Amends Subchapter A, Chapter 611, Health and Safety Code, by adding Section 61.013, as follows:

Sec. 61.013. COMPTROLLER DUTY. (a) Requires the comptroller of public accounts (comptroller), as soon as practicable after receiving notification under Section 61.0355(f), to pay a provider of health care services (provider) any amount owed to the provider by a county, as determined under Section 61.0355(f), from any tax revenue that is not deposited to a trust fund and is allocated to that county by state law.

(b) Requires the comptroller to adopt rules and procedures as necessary to enforce this section.

SECTION 3. Amends Subchapter B, Chapter 61, Health and Safety Code, by adding Section 61.0355, as follows:

Sec. 61.0355. DISPUTE CONCERNING COUNTY LIABILITY OR FAILURE TO PAY. (a) Authorizes a county or a provider, including a teaching hospital, to file a written request to the Texas Department of Health (TDH) for a hearing concerning a dispute between the county and the provider regarding the county's liability to pay for health care services provided by the provider to an indigent person and the amount, if any, of the county's liability, or a failure on the part of the county to timely pay an amount owed to the provider.

(b) Requires the provider and the county to submit all relevant information to TDH regarding the dispute in accordance with TDH rules.

(c) Requires TDH to conduct a hearing on the matter as soon as practicable after receiving the information required under Subsection (b). Requires that the hearing to be conducted as a contested case under Chapter 2001 (Administrative Procedure), Government Code.

(d) Requires TDH, not later than 30 days after the date of the hearing, to determine whether the county is liable for the cost of the services provided and the amount of that liability, if any, or whether the county has failed to timely pay an amount owed to the provider. Requires TDH to notify the county and the provider of the determination and the reasons for the determination in writing.

(e) Authorizes a county or provider to appeal TDH's final order under Chapter 2001, Government Code, using the substantial evidence rule on appeal.

(f) Requires TDH to notify the comptroller of the names of the providers, the county, and the amount owed to the providers by the county, not later than the 30th day after the date TDH's order finding a county liable becomes final, including any modification of the order following a judicial determination of the matter.

SECTION 4. Amends Chapter 61, Health and Safety Code, by adding Subchapter D, as follows:

SUBCHAPTER D. SPECIALTY HEALTH CARE SERVICES

Sec. 61.101. DEFINITIONS. Defines "specialty health care service" and "teaching hospital."

Sec. 61.102. SPECIALTY HEALTH CARE SERVICES; MANDATED PROVIDER. Authorizes a county, hospital district, or public hospital to select as a mandated provider of a specialty health care service, one or more teaching hospitals that agree to serve eligible residents within the appropriate service area and require an eligible resident to obtain treatment from that mandated provider.

Sec. 61.103. STANDARDS AND PROCEDURES. Requires the executive commissioner of the Health and Human Services Commission (executive commissioner) by rule to prescribe the basic services that constitute specialty health services, to establish the claim and verification procedures necessary for teaching hospitals to submit claims for reimbursement for certain services, and to establish payment standards for certain services in accordance with rules relating to the Temporary Assistance for Needy Families - Medicaid Program.

Sec. 61.104. LIABILITY FOR SERVICES. Requires TDH, to the extent funds are appropriated to TDH for this purpose, to reimburse, on submission of a claim, a teaching hospital for 50 percent of the cost of the specialty health care service provided by the teaching hospital under this subchapter to an eligible resident of the appropriate service area.

(b) Provides that the applicable county, hospital district, or the public hospital is liable for the remainder of the cost of providing specialty health care service to an eligible resident of a service area, subject to the applicable payment limitations provided in Sections 61.035 (Limitation of County Liability) and 61.061 (Payment Rates and Limits), Health and Safety Code, and to other applicable limitations on liability provided in this chapter (Indigent Health Care and Treatment Act).

(c) Prohibits the cost of a specialty health care service from exceeding the amount allowable for the service under the payment standards established under Section 61.103 in order for said service to be reimbursable under this section.

Sec. 61.105. INDIGENT SPECIALTY HEALTH CARE SERVICES ACCOUNT. Provides that the indigent specialty health care services account is an account in the general revenue fund. Authorizes the appropriation of any funds within the account to TDH only for purposes consistent with this subchapter.

Sec. 61.106. SERVICES ELIGIBLE FOR STATE ASSISTANCE CREDIT. Authorizes a county to credit an expenditure made for services rendered to an eligible county resident towards eligibility for state assistance, subject to the requirements prescribed by Subsection B.

SECTION 5. (a) Requires the comptroller to adopt rules and procedures regarding the transfer of funds from a county to a provider upon determination of liability not later than January 1, 2008.

(b) Requires the executive commissioner of the Health and Human Services Commission to establish the standards and procedures necessary to implement Section 61.0355, Health and Safety Code, as added by this Act, and to adopt the rules and procedures necessary to implement Subchapter D, Chapter 61, Health and Safety Code, as added by this Act, not later than January 1, 2008.

SECTION 6. Effective date: upon passage or September 1, 2007.