By: Hinojosa, Lucio S.B. No. 1462

## A BILL TO BE ENTITLED

1	AN ACT
2	relating to local health care provider participation programs in
3	certain counties and municipalities.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Section 288.155(c), Health and Safety Code, is
6	amended to read as follows:
7	(c) Money deposited to the local provider participation
8	fund may be used only to:
9	(1) fund intergovernmental transfers from the
10	district to the state to provide:
11	(A) the nonfederal share of a Medicaid
12	supplemental payment program authorized under the state Medicaid
13	plan, the Texas Healthcare Transformation and Quality Improvement
14	Program waiver issued under Section 1115 of the federal Social
15	Security Act (42 U.S.C. Section 1315), or a successor waiver
16	program authorizing similar Medicaid supplemental payment
17	programs; or
18	(B) payments to Medicaid managed care
19	organizations that are dedicated for payment to hospitals;
20	(2) subsidize indigent programs;
21	(3) pay the administrative expenses of the district;
22	(4) refund a portion of a mandatory payment collected
23	in error from a paying hospital; [and]
24	(5) refund to paying hospitals the proportionate share

- 1 of the money received by the district from the Health and Human
- 2 Services Commission that is not used to fund the nonfederal share of
- 3 Medicaid supplemental payment program payments; and
- 4 (6) refund to paying hospitals the proportionate share
- 5 of money that the district determines cannot be used to fund the
- 6 nonfederal share of Medicaid supplemental payment program
- 7 payments.
- 8 SECTION 2. Section 288.202, Health and Safety Code, is
- 9 amended to read as follows:
- 10 Sec. 288.202. ASSESSMENT AND COLLECTION OF MANDATORY
- 11 PAYMENTS. The district may collect or contract for the assessment
- 12 and collection of mandatory payments required under this chapter
- 13 [(a) Except as provided by Subsection (b), the county tax
- 14 assessor-collector shall collect a mandatory payment required
- 15 under this subchapter. The county tax assessor-collector shall
- 16 charge and deduct from mandatory payments collected for the
- 17 district a fee for collecting the mandatory payment in an amount
- 18 determined by the commission, not to exceed the county tax
- 19 assessor-collector's usual and customary charges.
- 20 [(b) If determined by the commission to be appropriate, the
- 21 commission may contract for the assessment and collection of
- 22 mandatory payments in the manner provided by Title 1, Tax Code, for
- 23 the assessment and collection of ad valorem taxes.
- 24 [(c) Revenue from a fee charged by a county tax
- 25 assessor-collector for collecting the mandatory payment shall be
- 26 deposited in the county general fund and, if appropriate, shall be
- 27 reported as fees of the county tax assessor-collector].

- 1 SECTION 3. Section 291.103(c), Health and Safety Code, is
- 2 amended to read as follows:
- 3 (c) Money deposited to the local provider participation
- 4 fund may be used only to:
- 5 (1) fund intergovernmental transfers from the county
- 6 to the state to provide:
- 7 (A) the nonfederal share of a Medicaid
- 8 supplemental payment program authorized under the state Medicaid
- 9 plan, the Texas Healthcare Transformation and Quality Improvement
- 10 Program waiver issued under Section 1115 of the federal Social
- 11 Security Act (42 U.S.C. Section 1315), or a successor waiver
- 12 program authorizing similar Medicaid supplemental payment
- 13 programs; or
- 14 (B) payments to Medicaid managed care
- 15 organizations that are dedicated for payment to hospitals;
- 16 (2) subsidize indigent programs;
- 17 (3) pay the administrative expenses of the county
- 18 solely for activities under this chapter;
- 19 (4) refund a portion of a mandatory payment collected
- 20 in error from a paying hospital; [and]
- 21 (5) refund to paying hospitals the proportionate share
- 22 of money received by the county from the Health and Human Services
- 23 Commission that is not used to fund the nonfederal share of Medicaid
- 24 supplemental payment program payments; and
- 25 (6) refund to paying hospitals the proportionate share
- 26 of money that the county determines cannot be used to fund the
- 27 nonfederal share of Medicaid supplemental payment program

- 1 payments.
- 2 SECTION 4. Section 291.152, Health and Safety Code, is
- 3 amended to read as follows:
- 4 Sec. 291.152. ASSESSMENT AND COLLECTION OF MANDATORY
- 5 PAYMENTS. The county may collect or contract for the assessment and
- 6 collection of mandatory payments authorized under this chapter
- 7 [(a) Except as provided by Subsection (b), the county tax
- 8 assessor-collector shall collect the mandatory payment authorized
- 9 under this chapter. The county tax assessor-collector shall charge
- 10 and deduct from mandatory payments collected for the county a fee
- 11 for collecting the mandatory payment in an amount determined by the
- 12 commissioners court of the county, not to exceed the county tax
- 13 assessor-collector's usual and customary charges.
- 14 [(b) If determined by the commissioners court to be
- 15 appropriate, the commissioners court may contract for the
- 16 assessment and collection of mandatory payments in the manner
- 17 provided by Title 1, Tax Code, for the assessment and collection of
- 18 ad valorem taxes.
- 19 [(c) Revenue from a fee charged by a county tax
- 20 assessor-collector for collecting the mandatory payment shall be
- 21 deposited in the county general fund and, if appropriate, shall be
- 22 reported as fees of the county tax assessor-collector].
- 23 SECTION 5. Section 292.103(c), Health and Safety Code, is
- 24 amended to read as follows:
- 25 (c) Money deposited to the local provider participation
- 26 fund may be used only to:
- 27 (1) fund intergovernmental transfers from the county

- 1 to the state to provide:
- 2 (A) the nonfederal share of a Medicaid
- 3 supplemental payment program authorized under the state Medicaid
- 4 plan, the Texas Healthcare Transformation and Quality Improvement
- 5 Program waiver issued under Section 1115 of the federal Social
- 6 Security Act (42 U.S.C. Section 1315), or a successor waiver
- 7 program authorizing similar Medicaid supplemental payment
- 8 programs; or
- 9 (B) payments to Medicaid managed care
- 10 organizations that are dedicated for payment to hospitals;
- 11 (2) subsidize indigent programs;
- 12 (3) pay the administrative expenses of the county
- 13 solely for activities under this chapter;
- 14 (4) refund a portion of a mandatory payment collected
- 15 in error from a paying hospital; [and]
- 16 (5) refund to paying hospitals the proportionate share
- 17 of money received by the county from the Health and Human Services
- 18 Commission that is not used to fund the nonfederal share of Medicaid
- 19 supplemental payment program payments; and
- 20 (6) refund to paying hospitals the proportionate share
- 21 of money that the county determines cannot be used to fund the
- 22 nonfederal share of Medicaid supplemental payment program
- 23 payments.
- SECTION 6. Section 292.152, Health and Safety Code, is
- 25 amended to read as follows:
- Sec. 292.152. ASSESSMENT AND COLLECTION OF MANDATORY
- 27 PAYMENTS. The county may collect or contract for the assessment and

- collection of mandatory payments authorized under this chapter

  [(a) Except as provided by Subsection (b), the county tax

  assessor-collector shall collect the mandatory payment authorized

  under this chapter. The county tax assessor-collector shall charge

  and deduct from mandatory payments collected for the county a fee
- 6 for collecting the mandatory payment in an amount determined by the
- 7 commissioners court of the county, not to exceed the county tax
- 8 assessor-collector's usual and customary charges.
- 9 [(b) If determined by the commissioners court to be
  10 appropriate, the commissioners court may contract for the
  11 assessment and collection of mandatory payments in the manner
  12 provided by Title 1, Tax Code, for the assessment and collection of
- 13 ad valorem taxes.
- [(c) Revenue from a fee charged by a county tax
  assessor-collector for collecting the mandatory payment shall be
  deposited in the county general fund and, if appropriate, shall be
  reported as fees of the county tax assessor-collector.
- SECTION 7. Section 293.001(1), Health and Safety Code, is amended to read as follows:
- 20 (1) "Institutional health care provider" means a
  21 nonpublic hospital that provides inpatient hospital services
  22 [licensed under Chapter 241].
- 23 SECTION 8. Section 293.103(c), Health and Safety Code, is 24 amended to read as follows:
- (c) Money deposited to the local provider participation fund may be used only to:
- 27 (1) fund intergovernmental transfers from the county

- 1 to the state to provide:
- 2 (A) the nonfederal share of a Medicaid
- 3 supplemental payment program authorized under the state Medicaid
- 4 plan, the Texas Healthcare Transformation and Quality Improvement
- 5 Program waiver issued under Section 1115 of the federal Social
- 6 Security Act (42 U.S.C. Section 1315), or a successor waiver
- 7 program authorizing similar Medicaid supplemental payment
- 8 programs; or
- 9 (B) payments to Medicaid managed care
- 10 organizations that are dedicated for payment to hospitals;
- 11 (2) subsidize indigent programs;
- 12 (3) pay the administrative expenses of the county
- 13 solely for activities under this chapter;
- 14 (4) refund a portion of a mandatory payment collected
- 15 in error from a paying hospital; [and]
- 16 (5) refund to paying hospitals the proportionate share
- 17 of money received by the county from the Health and Human Services
- 18 Commission that is not used to fund the nonfederal share of Medicaid
- 19 supplemental payment program payments; and
- 20 (6) refund to paying hospitals the proportionate share
- 21 of money that the county determines cannot be used to fund the
- 22 nonfederal share of Medicaid supplemental payment program
- 23 payments.
- SECTION 9. Section 293.152, Health and Safety Code, is
- 25 amended to read as follows:
- Sec. 293.152. ASSESSMENT AND COLLECTION OF MANDATORY
- 27 PAYMENTS. The county may collect or contract for the assessment and

- 1 <u>collection of mandatory payments authorized under this chapter</u>
- 2 [(a) Except as provided by Subsection (b), the county tax
- 3 assessor-collector shall collect the mandatory payment authorized
- 4 under this chapter. The county tax assessor-collector shall charge
- 5 and deduct from mandatory payments collected for the county a fee
- 6 for collecting the mandatory payment in an amount determined by the
- 7 commissioners court of the county, not to exceed the county tax
- 8 assessor-collector's usual and customary charges.
- 9 [(b) If determined by the commissioners court to be
- 10 appropriate, the commissioners court may contract for the
- 11 assessment and collection of mandatory payments in the manner
- 12 provided by Title 1, Tax Code, for the assessment and collection of
- 13 ad valorem taxes.
- 14 [(c) Revenue from a fee charged by a county tax
- 15 assessor-collector for collecting the mandatory payment shall be
- 16 deposited in the county general fund and, if appropriate, shall be
- 17 reported as fees of the county tax assessor-collector].
- SECTION 10. Section 294.001(1), Health and Safety Code, is
- 19 amended to read as follows:
- 20 (1) "Institutional health care provider" means a
- 21 nonpublic hospital that provides inpatient hospital services
- 22 [<del>licensed under Chapter 241</del>].
- SECTION 11. Section 294.103(c), Health and Safety Code, is
- 24 amended to read as follows:
- 25 (c) Money deposited to the local provider participation
- 26 fund may be used only to:
- 27 (1) fund intergovernmental transfers from the county

- 1 to the state to provide:
- 2 (A) the nonfederal share of a Medicaid
- 3 supplemental payment program authorized under the state Medicaid
- 4 plan, the Texas Healthcare Transformation and Quality Improvement
- 5 Program waiver issued under Section 1115 of the federal Social
- 6 Security Act (42 U.S.C. Section 1315), or a successor waiver
- 7 program authorizing similar Medicaid supplemental payment
- 8 programs; or
- 9 (B) payments to Medicaid managed care
- 10 organizations that are dedicated for payment to hospitals;
- 11 (2) subsidize indigent programs;
- 12 (3) pay the administrative expenses of the county
- 13 solely for activities under this chapter;
- 14 (4) refund a portion of a mandatory payment collected
- 15 in error from a paying hospital; [and]
- 16 (5) refund to paying hospitals the proportionate share
- 17 of money received by the county from the Health and Human Services
- 18 Commission that is not used to fund the nonfederal share of Medicaid
- 19 supplemental payment program payments; and
- 20 (6) refund to paying hospitals the proportionate share
- 21 of money that the county determines cannot be used to fund the
- 22 nonfederal share of Medicaid supplemental payment program
- 23 payments.
- SECTION 12. Section 294.152, Health and Safety Code, is
- 25 amended to read as follows:
- Sec. 294.152. ASSESSMENT AND COLLECTION OF MANDATORY
- 27 PAYMENTS. The county may collect or contract for the assessment and

- collection of mandatory payments authorized under this chapter

  [(a) Except as provided by Subsection (b), the county tax

  assessor-collector shall collect the mandatory payment authorized

  under this chapter. The county tax assessor-collector shall charge

  and deduct from mandatory payments collected for the county a fee
- 6 for collecting the mandatory payment in an amount determined by the
- 7 commissioners court of the county, not to exceed the county tax
- 8 assessor-collector's usual and customary charges.
- 9 [(b) If determined by the commissioners court to be
  10 appropriate, the commissioners court may contract for the
  11 assessment and collection of mandatory payments in the manner
  12 provided by Title 1, Tax Code, for the assessment and collection of
- 13 ad valorem taxes.
- [(c) Revenue from a fee charged by a county tax
  seessor-collector for collecting the mandatory payment shall be
  deposited in the county general fund and, if appropriate, shall be
- 17 reported as fees of the county tax assessor-collector].
- 18 SECTION 13. Section 295.103(c), Health and Safety Code, is 19 amended to read as follows:
- 20 (c) Money deposited to the local provider participation 21 fund may be used only to:
- 22 (1) fund intergovernmental transfers from the 23 municipality to the state to provide:
- (A) the nonfederal share of a Medicaid supplemental payment program authorized under the state Medicaid plan, the Texas Healthcare Transformation and Quality Improvement
- 27 Program waiver issued under Section 1115 of the federal Social

- 1 Security Act (42 U.S.C. Section 1315), or a successor waiver
- 2 program authorizing similar Medicaid supplemental payment
- 3 programs; or
- 4 (B) payments to Medicaid managed care
- 5 organizations that are dedicated for payment to hospitals;
- 6 (2) subsidize indigent programs;
- 7 (3) pay the administrative expenses of the
- 8 municipality solely for activities under this chapter;
- 9 (4) refund a portion of a mandatory payment collected
- 10 in error from a paying hospital; [and]
- 11 (5) refund to paying hospitals the proportionate share
- 12 of money received by the municipality from the Health and Human
- 13 Services Commission that is not used to fund the nonfederal share of
- 14 Medicaid supplemental payment program payments; and
- 15 (6) refund to paying hospitals the proportionate share
- 16 of money that the governing body of the municipality determines
- 17 cannot be used to fund the nonfederal share of Medicaid
- 18 supplemental payment program payments.
- 19 SECTION 14. Section 295.152, Health and Safety Code, is
- 20 amended to read as follows:
- Sec. 295.152. ASSESSMENT AND COLLECTION OF MANDATORY
- 22 PAYMENTS. The municipality may collect or contract for the
- 23 assessment and collection of mandatory payments authorized under
- 24 this chapter [(a) Except as provided by Subsection (b), the
- 25 municipal tax assessor-collector shall collect the mandatory
- 26 payment authorized under this chapter. The municipal tax
- 27 assessor-collector shall charge and deduct from mandatory payments

- 1 collected for the municipality a fee for collecting the mandatory
- 2 payment in an amount determined by the governing body of the
- 3 municipality, not to exceed the municipal tax assessor-collector's
- 4 usual and customary charges.
- 5 [(b) If determined by the governing body to be appropriate,
- 6 the governing body may contract for the assessment and collection
- 7 of mandatory payments in the manner provided by Title 1, Tax Code,
- 8 for the assessment and collection of ad valorem taxes.
- 9 [(c) Revenue from a fee charged by a municipal tax
- 10 assessor-collector for collecting the mandatory payment shall be
- 11 deposited in the municipal general fund and, if appropriate, shall
- 12 be reported as fees of the municipal tax assessor-collector].
- 13 SECTION 15. Section 296.103(c), Health and Safety Code, is
- 14 amended to read as follows:
- 15 (c) Money deposited to the local provider participation
- 16 fund may be used only to:
- 17 (1) fund intergovernmental transfers from the county
- 18 to the state to provide:
- 19 (A) the nonfederal share of a Medicaid
- 20 supplemental payment program authorized under the state Medicaid
- 21 plan, the Texas Healthcare Transformation and Quality Improvement
- 22 Program waiver issued under Section 1115 of the federal Social
- 23 Security Act (42 U.S.C. Section 1315), or a successor waiver
- 24 program authorizing similar Medicaid supplemental payment
- 25 programs; or
- 26 (B) payments to Medicaid managed care
- 27 organizations that are dedicated for payment to hospitals;

- 1 (2) subsidize indigent programs;
- 2 (3) pay the administrative expenses of the county
- 3 solely for activities under this chapter;
- 4 (4) refund a portion of a mandatory payment collected
- 5 in error from a paying hospital; [and]
- 6 (5) refund to paying hospitals the proportionate share
- 7 of money received by the county from the Health and Human Services
- 8 Commission that is not used to fund the nonfederal share of Medicaid
- 9 supplemental payment program payments; and
- 10 (6) refund to paying hospitals the proportionate share
- 11 of money that the county determines cannot be used to fund the
- 12 nonfederal share of Medicaid supplemental payment program
- 13 payments.
- 14 SECTION 16. Section 296.152, Health and Safety Code, is
- 15 amended to read as follows:
- 16 Sec. 296.152. ASSESSMENT AND COLLECTION OF MANDATORY
- 17 PAYMENTS. The county may collect or contract for the assessment and
- 18 collection of mandatory payments authorized under this chapter
- 19 [(a) Except as provided by Subsection (b), the county tax
- 20 assessor-collector shall collect the mandatory payment authorized
- 21 under this chapter. The county tax assessor-collector shall charge
- 22 and deduct from mandatory payments collected for the county a fee
- 23 for collecting the mandatory payment in an amount determined by the
- 24 commissioners court of the county, not to exceed the county tax
- 25 assessor-collector's usual and customary charges.
- 26 [(b) If determined by the commissioners court to be
- 27 appropriate, the commissioners court may contract for the

- 1 assessment and collection of mandatory payments in the manner
- 2 provided by Title 1, Tax Code, for the assessment and collection of
- 3 ad valorem taxes.
- 4 [(c) Revenue from a fee charged by a county tax
- 5 assessor-collector for collecting the mandatory payment shall be
- 6 deposited in the county general fund and, if appropriate, shall be
- 7 reported as fees of the county tax assessor-collector].
- 8 SECTION 17. Section 297.001(1), Health and Safety Code, is
- 9 amended to read as follows:
- 10 (1) "Institutional health care provider" means a
- 11 nonpublic hospital that provides inpatient hospital services
- 12 [licensed under Chapter 241].
- 13 SECTION 18. Section 297.103(c), Health and Safety Code, is
- 14 amended to read as follows:
- 15 (c) Money deposited to the local provider participation
- 16 fund may be used only to:
- 17 (1) fund intergovernmental transfers from the county
- 18 to the state to provide:
- 19 (A) the nonfederal share of a Medicaid
- 20 supplemental payment program authorized under the state Medicaid
- 21 plan, the Texas Healthcare Transformation and Quality Improvement
- 22 Program waiver issued under Section 1115 of the federal Social
- 23 Security Act (42 U.S.C. Section 1315), or a successor waiver
- 24 program authorizing similar Medicaid supplemental payment
- 25 programs; or
- 26 (B) payments to Medicaid managed care
- 27 organizations that are dedicated for payment to hospitals;

- 1 (2) subsidize indigent programs;
- 2 (3) pay the administrative expenses of the county
- 3 solely for activities under this chapter;
- 4 (4) refund a portion of a mandatory payment collected
- 5 in error from a paying hospital; [and]
- 6 (5) refund to paying hospitals the proportionate share
- 7 of money received by the county from the Health and Human Services
- 8 Commission that is not used to fund the nonfederal share of Medicaid
- 9 supplemental payment program payments; and
- 10 (6) refund to paying hospitals the proportionate share
- 11 of money that the county determines cannot be used to fund the
- 12 nonfederal share of Medicaid supplemental payment program
- 13 payments.
- 14 SECTION 19. Section 297.152, Health and Safety Code, is
- 15 amended to read as follows:
- 16 Sec. 297.152. ASSESSMENT AND COLLECTION OF MANDATORY
- 17 PAYMENTS. The county may collect or contract for the assessment and
- 18 collection of mandatory payments authorized under this chapter
- 19 [(a) Except as provided by Subsection (b), the county tax
- 20 assessor-collector shall collect the mandatory payment authorized
- 21 under this chapter. The county tax assessor-collector shall charge
- 22 and deduct from mandatory payments collected for the county a fee
- 23 for collecting the mandatory payment in an amount determined by the
- 24 commissioners court of the county, not to exceed the county tax
- 25 assessor-collector's usual and customary charges.
- 26 [(b) If determined by the commissioners court to be
- 27 appropriate, the commissioners court may contract for the

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- 1 assessment and collection of mandatory payments in the manner
- 2 provided by Title 1, Tax Code, for the assessment and collection of
- 3 ad valorem taxes.
- 4 [(c) Revenue from a fee charged by a county tax
- 5 assessor-collector for collecting the mandatory payment shall be
- 6 deposited in the county general fund and, if appropriate, shall be
- 7 reported as fees of the county tax assessor-collector].
- 8 SECTION 20. This Act takes effect immediately if it
- 9 receives a vote of two-thirds of all the members elected to each
- 10 house, as provided by Section 39, Article III, Texas Constitution.
- 11 If this Act does not receive the vote necessary for immediate
- 12 effect, this Act takes effect September 1, 2017.